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John T. Hanson, CPA
Chief Executive Officer, DRPA
President, PATCO

March 24, 2016

Re: 2015 PATCO Management Audit

Attached you will find a final copy of the PATCO Management Audit prepared by TransTech. This audit was conducted as part of the Authority's continued effort to perform independent management assessments of the Authority's management and operations in alignment with our commitment to our interstate compact.

In an effort to address the audit results, the OIG will work with the Director, Strategic Initiatives, as well as PATCO management (and other Authority management) to develop an implementation plan for agreed upon recommendations, and ensure appropriate follow-up measures are in place to assess the execution of management's commitments.

Sincerely,

A handwritten signature in black ink that reads "John T. Hanson".

John T. Hanson

TransTech

Management, Inc.

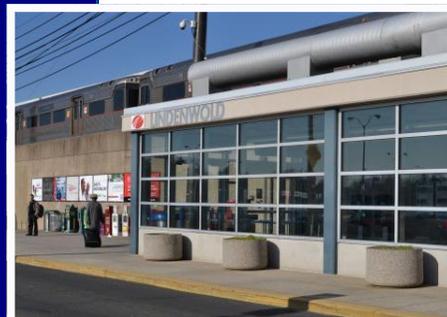
FINAL REPORT

Management Audit of The Port Authority Transit Corporation

Prepared for:

Delaware River Port Authority

March 7, 2016



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I. EXECUTIVE SUMMARY

The Delaware River Port Authority (“DRPA”) engaged TransTech Management, Inc. (“TTM” or “TransTech,” along with our subject matter expert team from Kensington Consulting and Raul V Bravo + Associates, to perform a management audit of its Port Authority Transit Corporation (“PATCO”) subsidiary. This Executive Summary provides an overview of the Final Report on the audit objectives, process and results, including the following:

- Study Objectives, Scope and Methodology
- Organizational Profile
- DRPA Citizen Advisory Committee Input
- Preliminary Assessment Summary
- Internal Support Services Satisfaction
- Compensation Assessment
- Findings and Recommendations.

Audit Objectives, Scope and Methodology

Section II of the audit report provides the background of the project and describes its objectives and approach.

Under its governing documents, the DRPA is a bi-state public transportation agency created by a compact agreement between the Commonwealth of Pennsylvania and the State of New Jersey, with the consent of the United States Congress with powers and responsibilities including but not limited to:

- Ownership and operation of four toll bridges connecting New Jersey and Pennsylvania across the Delaware River including the Benjamin Franklin Bridge, Walt Whitman Bridge, Commodore Barry Bridge and the Betsy Ross Bridge.
- Operation of the Port Authority Transit Corporation’s (PATCO) high speed heavy rail system operating under regulatory oversight of the Federal Transit Administration. The PATCO system is 14.2 miles in length and connects central city Philadelphia to Lindenwold, New Jersey, serving thirteen stations and carrying an average of approximately 36,000 passengers every weekday.

Article XII of the DRPA Compact specifically requires the periodic performance of a management audit, as follows:

“Not less than once every five years, the Commission shall cause a management audit of its operational effectiveness and efficiency to be conducted by an independent consulting firm selected by the commission.”

In August of 2010 the DRPA Board of Commissioners adopted Resolution DRPA-10-040 – one of several “reform resolutions” intended to strengthen public accountability and transparency – to create an Audit Committee whose duties include overseeing an independent management audit of the Authority every **two** years. To ensure that the biannual management audits are conducted in accordance with the Compact and Resolution DRPA-10-040 the Audit Committee identified four discrete divisions of the Authority, two of which are to be examined every two years on a rotating basis, as follows:

- DRPA Administrative and Support Functions.
- Public Safety.
- Bridge Operations.
- PATCO.

In furtherance of this mandate, the DRPA, through its Office of the Inspector General, competitively selected and engaged the services of TransTech Management, Inc. and its teaming partners to conduct an independent management and performance audit of its wholly-owned subsidiary, PATCO, and to recommend improvements to enhance its overall effectiveness and efficiency.

Audit Objectives

The specific objectives of the 2015 PATCO management audit include:

- Conduct a thorough, objective and independent assessment of the organizational and operational efficiency and effectiveness of PATCO services and operations.
- Identify and recommend ways by which the Authority can maintain or improve service to its customers while reducing or moderating operating losses.
- Examine the effectiveness of management of administrative services performed by external consultants or contractors.
- Evaluate the Authority’s implementation of recommendations from prior internal and independent audit reports.
- Develop specific findings, conclusions and recommendations for improvement.
- Develop and deliver an implementation approach and specific, executable action plans.
- Compile and deliver a thorough written report of findings and recommendations for presentation to the Authority’s Audit Committee and Board of Commissioners.

Audit Scope

All PATCO departments and functions were included in the project scope including:

- Office of the General Manager.
- Transit Services.
- Passenger Services and Fare Collection.
- Way and Power.
- Equipment.
- System Safety.
- Shared administrative services provided by DRPA including Finance, Payroll, Human Resources and Information Services.

The following aspects of PATCO's organization, management and operations were addressed:

- Organizational structure.
- Duties and responsibilities of management and staff.
- Management authority and span of control.
- Effectiveness of policies, processes and strategies.
- Staffing levels.
- Duplicative and/or redundant staff functions.
- Operating costs and opportunities for cost reductions.
- Reasonableness of salaries and benefits, including the risk of salary compression.
- Compliance with FTA regulations including review of procedures for elevators and escalators.
- Review of Standard Operating Procedures (SOPs) for all departments.
- Work flow analysis of all departments including Way and Power.

The audit was facilitated by the DRP Office of the Inspector General.

Audit Approach

TTM performed the audit in accordance with the Generally Accepted Government Auditing Standards ("GAGAS") issued by the Comptroller General of the United States, also known as the "Yellow Book." The general standards state that the auditor must:

- Perform the work in accordance with **basic ethical principles**.
- Maintain **independence** in both fact and appearance.
- Use **professional judgment** in the planning, conduct and reporting of audit results.
- Possess the **professional competence** needed to address the audit objectives.
- Provide adequate **quality control**.

Performance audits provide objective analysis and recommendations to management and decision makers in order to facilitate the improvement of operations, support executive decision-making and improve accountability. Accordingly, the major tasks of the TTM approach include the following:

- Task 1 – Plan and Initiate the Audit.
- Task 2 – Complete Interviews and Field Work.
- Task 3 – Develop Audit Findings.
- Task 4 – Prepare and Review Audit Report.
- Task 5– Conduct Audit Outbrief.

We believe that the evidence obtained through the course of our work supports our findings and recommendations and provides a reasonable basis for our findings and conclusions based on our audit objectives.

Throughout the course of this engagement, the TTM audit team had extensive contact and interaction with members of the management and staff of the DRPA and PATCO. The information and access required for the completion of the management audit were readily made available, employees actively participated in interviews, focus groups, site visits and other tasks. No request for additional information was declined.

Organizational Profile

Section III of the audit report describes the current organizational structure, resources and strategy in detail and helps to establish the factual foundation for the audit findings and recommendations.

PATCO is the DRPA's operating entity for the management of the high speed commuter rail service linking center city Philadelphia to the New Jersey suburbs, sometimes referred to as the "Speedline." Rail service is available seven days a week, around the clock, and provides a cost-effective and rapid means of passenger service while helping to relieve traffic across the DRPA's four toll bridges across the Delaware River.

The PATCO rail fleet consists of 120 rapid transit vehicles, powered by 3rd rail direct current voltage. The fleet is currently in the midst of a complete refurbishment program, with the first six refurbished cars placed in revenue service in May of 2015. The company maintains 14.25 miles of double-tracked right-of way and operates 13 stations, four of which are in Philadelphia and the remaining nine in New Jersey.

The system operated by PATCO is well established and stable. Although PATCO does not have current plans for system extensions or service expansions, both the DRPA and PATCO are undertaking major capital improvements now and into the near future. Examples include:

- The tracks over the Ben Franklin Bridge are currently undergoing a complete replacement, along with structural improvements to the bridge itself. This is a two-year, \$103 million project, expected to be completed by the end of 2015.
- The entire fleet of PATCO railcars are scheduled for significant upgrades to both the technology and the interior design, comfort, safety and passenger security. At an expected cost of \$194 million, this one of the largest capital projects in the history of the DRPA.
- PATCO stations are being equipped with new electronic signage.

- Rehabilitation of the Westmont and Lindenwold viaducts.
- A multi-phase project to replace transformers at electrical substations.
- Various station upgrades and enhancements including, for example, the availability of cellular service, WiFi access and the leverage of General Transit Feed Specification (GTFS) scheduling and status data for customer information.

The 2015 Capital Budget also includes funding to begin the design work for the potential reopening of Franklin Square station in Philadelphia.

Operating and Capital Budgets

PATCO is a \$120 million annual enterprise. For fiscal year 2015, a total operating budget of \$52.3 million was approved for PATCO, net of approximately \$4.5 million of reimbursable labor and related costs from capital projects and Federal Transit Administration funds. Operating revenues from passenger fares in 2015 are budgeted at \$24.5 million, with additional revenues from such sources as parking, advertising and other sources adding another \$1.4 million. DRPA will absorb a \$26.3 million operating loss in 2015, up approximately 23% from the prior year. The 2015 DRPA Capital Program allocates \$53 million in capital project funds to PATCO (net of federal funding), including the 2015 portion of multi-year projects. Additional capital spending budgeted for 2015 totals \$7.6 million.

Organizational Structure and Staffing

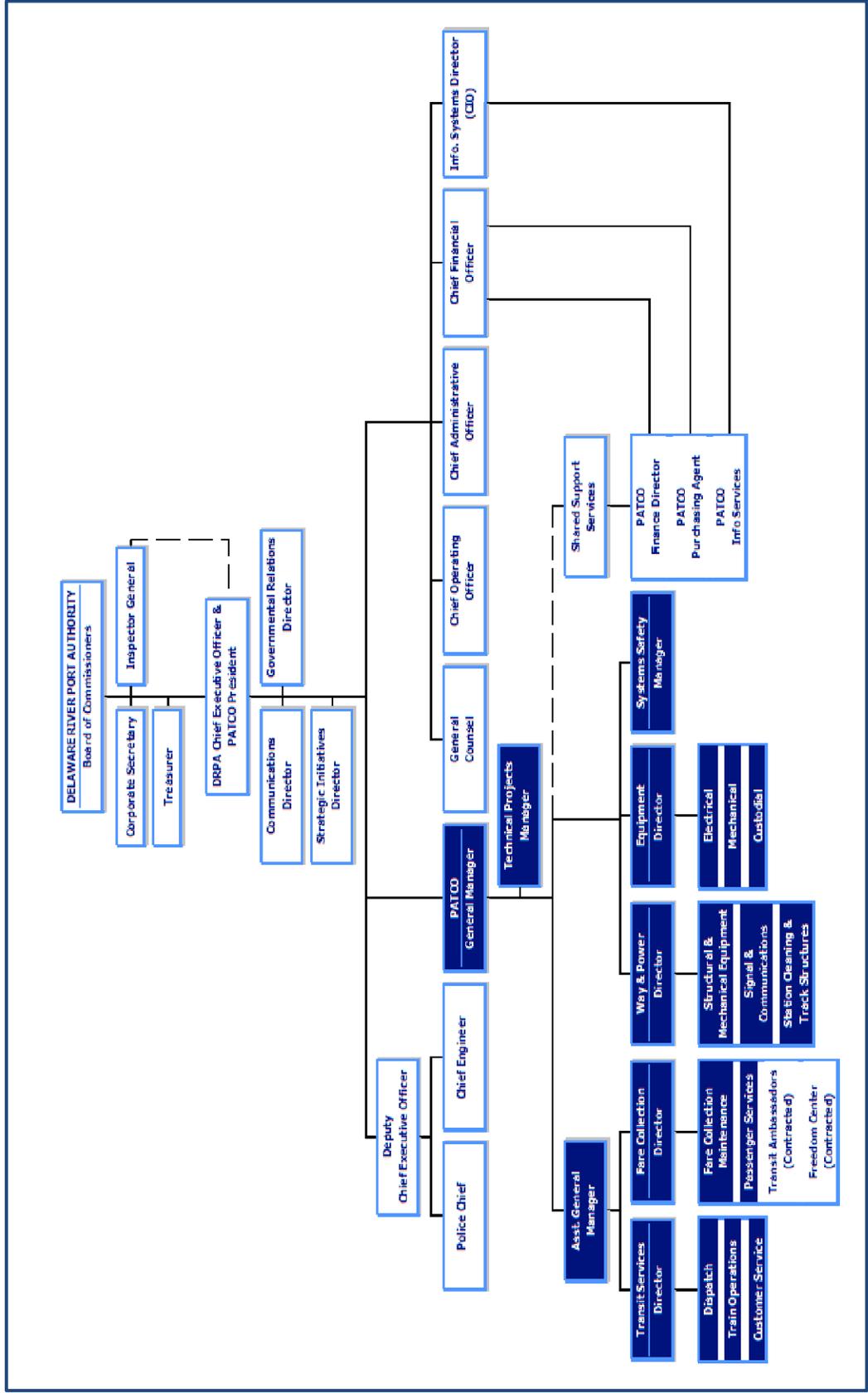
The overall structure of PATCO within the context of the DRPA organization is shown on the following page.

Leadership and management accountability for the day to day operations of PATCO are the responsibility of the General Manager, who is hired by the Chief Executive Officer of DRPA / PATCO President, subject to the confirmation of the DRPA Board of Commissioners. An Assistant General Manager serves as the second-in-charge of PATCO and advises the General Manager on all aspects of PATCO operations.

The Directors of five departments of PATCO assume responsibility for their respective aspects of the rail system's operation and maintenance. These include:

- **Transit Services** – primarily responsible for the scheduling and operation of the rail system.
- **Equipment** – responsible for preventive maintenance and the repair of railcars and other vehicles and equipment required for operation of the system.

DRPA / PATCO Organizational Structure



- **Way and Power** – responsible for the maintenance of the physical assets of the system including mainline and yard track, right-of-way infrastructure, electrical substations, transit signaling and PATCO facilities maintenance and upkeep.
- **Passenger Services and Fare Collection** – responsible for the operation of PATCO’s automated ticket machines, collection of parking fees, the sale of fare cards, the collection, counting and deposit of all fare receipts and the provision of direct customer service and support at all PATCO stations.
- **System Safety** – responsible for the development, monitoring, training and administration of a comprehensive safety program to protect PATCO passengers, employees, contractors and the general public.

Certain administrative support functions, including **Finance, Purchasing and Information Services**, have personnel assigned and dedicated to PATCO and are located in PATCO facilities and supervised by the General Manager but are dually accountable to their counterpart units and managers at the parent / DRPA level of the organization. As a component unit of DRPA, all other administrative policies and guidance from the DRPA apply in such areas as Legal, Human Resources, Risk Management, Engineering, etc.

The authorized headcount for PATCO is 336 positions. Of that total strength, 70% are represented by the Teamster’s union.

Ridership

PATCO ridership has been generally stable over the last 10 years, with a notable dip in 2014. According to a combination of the National Transit Database and PATCO data, annual ridership has exceeded 10 million passenger trips since 2008. A 5% decline in 2014 was attributed to a combination of factors including the beginning of the Benjamin Franklin Bridge project and the attendant schedule disruptions, bad weather and generally favorable gas prices. Ridership statistics over the past 24 years show a high annual ridership of 11.4 million in 1991 and a low of 8.8 million in 2003. Over the years since 2004, the ten year trend in ridership has been generally up.

PATCO Strategic Plan

PATCO’s statement of strategic vision – currently under review to better align it with the DRPA vision statement - reflects a focus on public transportation in the interest of the region’s citizens and on the stewardship of the public resources entrusted to it.

“PATCO’s vision is to exceed our customer expectations and to meet the mobility needs of the region by enhancing the public transportation service. Our course of action will be to continuously improve our performance in every area and at every level of the organization. Guiding our performance will be a clear and concise strategic plan, which includes

hiring, developing and retaining a diverse workforce of the highest caliber and focusing on the needs of our customers.”

The stated mission of PATCO is also under review to reflect current DRPA priorities and focus. It currently reads:

“The mission of the Port Authority Transit Corporation is to operate a cost effective transit system that will meet the needs of its ridership customer base in a safe, clean, convenient, affordable, and customer-friendly manner. PATCO will strive to be a contributor to the economic vitality of the region it serves and will always be mindful and respectful of the physical and economic environments in which it operates.”

The core values endorsed and espoused by PATCO management include:

- Safety and security.
- Customer focus (internal and external).
- Mobility and connectivity.
- Sustainability.
- Financial responsibility.
- Improved transportation infrastructure.
- Use of technology.
- Ethics and transparency.
- Organizational excellence and performance accountability.

Together, the vision, mission and values statements are designed to support and reinforce the strategy of the DRPA and the Authority’s shared values including safety, community, stewardship, collaboration and continuous improvement. The PATCO strategic plan establishes nine specific strategic goals covering a total of 43 supporting objectives.

- Goal 1: Safety and Security
- Goal 2: Customer Focus (Internal and External)
- Goal 3: Mobility and Connectivity
- Goal 4: Advance Sustainability
- Goal 5: Exercise Financial Responsibility
- Goal 6: Maintain and Improve Transportation Infrastructure
- Goal 7: Maximize the Use of Technology

- Goal 8: Emphasize Ethics and Transparency
- Goal 9: Organizational Excellence and Performance Accountability

DRPA Citizen’s Advisory Committee Input

DRPA Board Resolution 10-093 established a Citizen’s Advisory Committee (CAC) to provide an independent customer perspective to the Board on topics of current concern. At the initiative of the Acting Inspector General, TTM was invited to appear at the June 17, 2015 CAC meeting to update the members on status of the PATCO management audit and to hear their comments and suggestions on improvements to PATCO services.

Using the “plus / delta” focus group, technique, CAC members were asked to describe those aspects of PATCO that they felt where the most positive (“pluses”) and then to list those aspects of PATCO and its services they felt could benefit from positive change (“deltas”). They were then asked to list and rank order specific suggestions for improvement.

In summary, the CAC members and - by extension - PATCO riders:

- Are generally satisfied and pleased with the service provided by PATCO and compare it very favorably against SEPTA and NJ Transit
- Have very positive interactions with PATCO staff
- Have seen an encouraging trend of improvement in recent months, for which they give credit to DRPA and PATCO leadership
- Want more of what PATCO is now providing:
 - More trains / more frequent service, especially at peak times and for special events
 - More Transit Ambassadors
 - More security at stations and onboard the trains
 - More station improvements (ADA accessibility, retail services, cleanliness/comfort)
 - More access to information (electronic message boards, website, smartphone apps, etc.)
 - More transit oriented development
- Want less of a few things:
 - Schedule disruptions
 - Missed deadlines (like the new car roll-out)
 - Deferral of maintenance (elevators / escalators, bridge repairs)

The top improvement suggestions, as ranked by the CAC members, included:

- Provide real time, graphical train status information on electronic sign boards and online, especially signage outside of the gates.
- Provide discounts for frequent riders (a “loyalty program”).
- Maintain the right stakeholders at the Board level.
- Make GTFS (General Transit Feed Specification) data available to application developers.
- Provide more weekend service to support special events such as sporting events, concerts, etc. (Tie)
 - Develop a system of “dynamic scheduling” to allow the service to expand and contract in response to known events creating peak passenger demand. (Tie)
 - Provide ADA accessibility in all PATCO stations. (Tie)
 - Provide WiFi and cellular service in PATCO cars and stations. (Tie)

Preliminary Assessment Summary

As an important part of the management audit process, the TransTech audit team prepared, reviewed and revised an Interim Report at approximately the midpoint of the assignment. The purpose of the Interim Report was to document and verify the consulting team’s understanding of the current state of the PATCO organization and operations and to deliver a preliminary assessment of the organization’s efficiency and effectiveness, consistent with the scope and purpose of the management audit. Section IV of this final audit report summarizes the results of that assessment.

By definition, the preliminary assessment findings and improvement concepts were tentative in nature and subject to change based on feedback and corrections received following review by appropriate PATCO staff. Observations included in the assessment were based on the results of our interviews, background data collection and review, and the TransTech team’s observation of PATCO operations, processes, and management practices, and additional clarifying discussions with appropriate DRPA and PATCO personnel. TransTech provided the Interim Report to the PATCO management team, the Office of the Inspector General and the DRPA Chief Executive Officer / PATCO President. Each member of the PATCO management team then independently review their sections of the Interim Report and provided corrections, suggestions and perspective on the assessment results and potential improvement concepts. ***As such, the audit findings and recommendations included in this Final Report may deviate from the initial assessment observations. The Interim Report, including the preliminary assessment and initial improvement concepts has been previously delivered under separate cover.***

Internal Support Services Satisfaction Survey

Section V of the audit report details the results of an online survey administered to PATCO managers, supervisors and administrative support staff to evaluate their level of satisfaction with

the shared administrative support services provided to PATCO by the parent DRPA organization. The specific service providers included within the scope of the support services satisfaction survey included:

- Finance.
- Purchasing.
- Human Resources.
- Contract Administration.
- Information Systems.
- General Counsel.
- Benefits Administration.

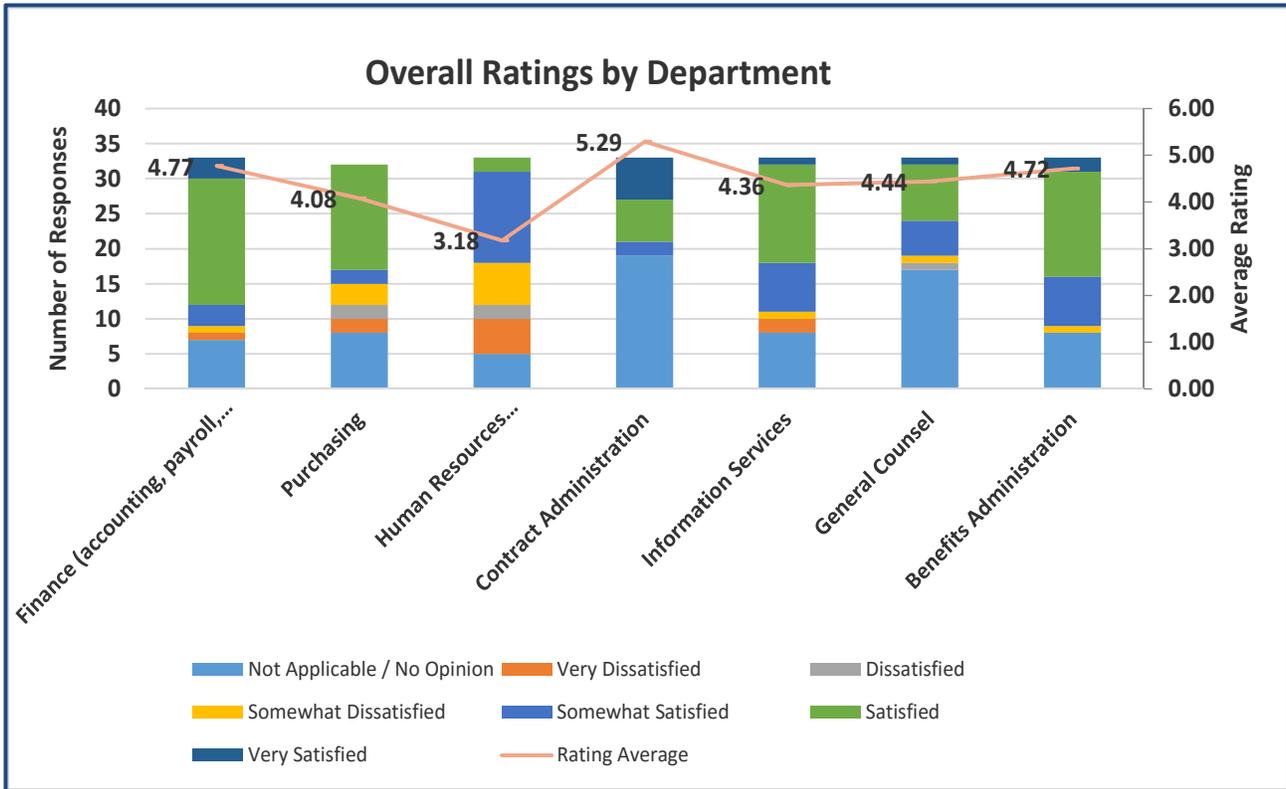
The Internal Support Satisfaction Survey was distributed to 64 PATCO managers, supervisors and administrative support staff members. Of those employees, 37 completed the survey for a response rate of 58%. For each of the shared support functions included in the satisfaction survey, the respondent results and a selected sample of narrative comments are provided. For each survey item, a series of statements descriptive of the range of services provided by the service provider afforded respondents an opportunity to indicate their level of satisfaction with the services on a six point scale:

- 0 - Not Applicable.
- 1 - Very Dissatisfied.
- 2 - Dissatisfied.
- 3 - Somewhat Dissatisfied.
- 4 - Somewhat Satisfied.
- 5 - Satisfied.
- 6 - Very Satisfied.

Additionally, respondents could optionally provide free-form responses to clarify the basis of their evaluations.

A summary of the responses to the various survey items for each of the shared support services can be found in Section V of this report, along with representative narrative responses, while Appendix D includes the full detail of the survey results. Overall ratings are summarized below and graphically depicted in the following chart.

- **Finance (accounting, payroll, budget, etc.)**, earned an average rating of 4.77 or “**Satisfied**”.
- **Purchasing**, scored an average rating of 4.08 or “**Somewhat Satisfied**”.
- **Human Resources** (recruitment, selection, compensation, training, etc.), scored an overall rating of 3.18 or “**Somewhat Dissatisfied**”.
- **Contract Administration**, earned the highest average rating of 5.29 or “**Satisfied**”.



- **Information Services**, shows an average rating of 4.36 or “**Somewhat Satisfied**”.
- **General Counsel**, scored an average rating of 4.44 or “**Somewhat Satisfied**”.
- **Benefits Administration**, earned an average rating of 4.72 or “**Satisfied**”.

On average, the employees who participated in this survey – **and who expressed an opinion** - are “Somewhat Satisfied” by the internal support services at PATCO. While the ratings were positive overall, there are areas that can benefit from improvement noted in several areas critical to the functional efficiency and effectiveness of PATCO. These opportunities for improvement include:

- Deployment of the DRPA procurement card program to PATCO to improve the efficiency and timeliness of routine purchases and reviewing the existing purchasing thresholds to allow more management flexibility.
- Working to shorten the length of time required to recruit and select quality employees.
- Ensuring that the Authority’s compensation program is both competitive with the marketplace and internally equitable, providing PATCO the opportunity to effectively attract, retain, develop and advance a competent and committed workforce.
- Design and deployment of a more effective employee recognition program.

- Working with PATCO managers and supervisors to improve their ability to effectively handle employee relations matters.

In virtually all of the areas surveyed, large numbers of respondents indicated that they had no opinion or that the item was non-applicable to their job. However, it is important that managers, supervisors and support staff be fully conversant, knowledgeable and trained in the policies, processes and procedures to effectively leverage the DRPA organization's support capabilities to the benefit of their respective organizations.

Compensation Competitiveness Analysis

A component part of the PATCO management audit was a high-level evaluation of the overall competitiveness and equity of the company's employee compensation program. A comprehensive compensation program redesign was outside of the scope of this assignment and such a study is currently in progress under the initiative and direction of DRPA's Chief Administrative Officer and Human Resources Services Department. As such, the TransTech compensation evaluation is intended to generally assess the overall market position of the PATCO salary plan, relying upon available data, and to develop appropriate recommendations for further action. DRPA management should rely on the results of the more comprehensive evaluation in making future decisions related the design and administration of the Authority's compensation program.

TransTechs limited-scope compensation analysis addressed two primary questions:

- Is there sufficient reason to believe that the PATCO employees are under or over compensated relative to the market?
- Is there evidence of compression in the salary structure that impairs the equity and / or effectiveness of the compensation program?

In completing the compensation analysis, the TransTech team completed the following tasks:

- Reviewed existing pay program information at PATCO.
- Worked with the Inspector General's Office and PATCO management to identify a list of candidate regional transit agencies for the collection of market data.
- Developed a list of 30 benchmark jobs, representative of the range of PATCO executive, supervisory and hourly jobs, for which to collect and analyze base salary against the external market. These job titles accounted for 40% of the 74 jobs currently in use at PATCO.
- Consulted with PATCO management and the Office of the Inspector General, to identify the following seven transit agencies as candidates for data collection and analysis:
 - Greater Cleveland Rapid Transit Authority (GCRT)
 - New Jersey Transit

- New York Metro Transit
- Niagara Frontier Transportation Authority (NFTA)
- Port Authority of Allegheny County (PAAC)
- Port Authority of New York and New Jersey / Port Authority Trans Hudson (PATH)
- Southeastern Pennsylvania Transportation Authority (SEPTA)

Following multiple attempts to secure participation from the above-listed agencies, only three provided data in time for analysis and inclusion in this report. These include:

- PAAC
- PATH
- SEPTA

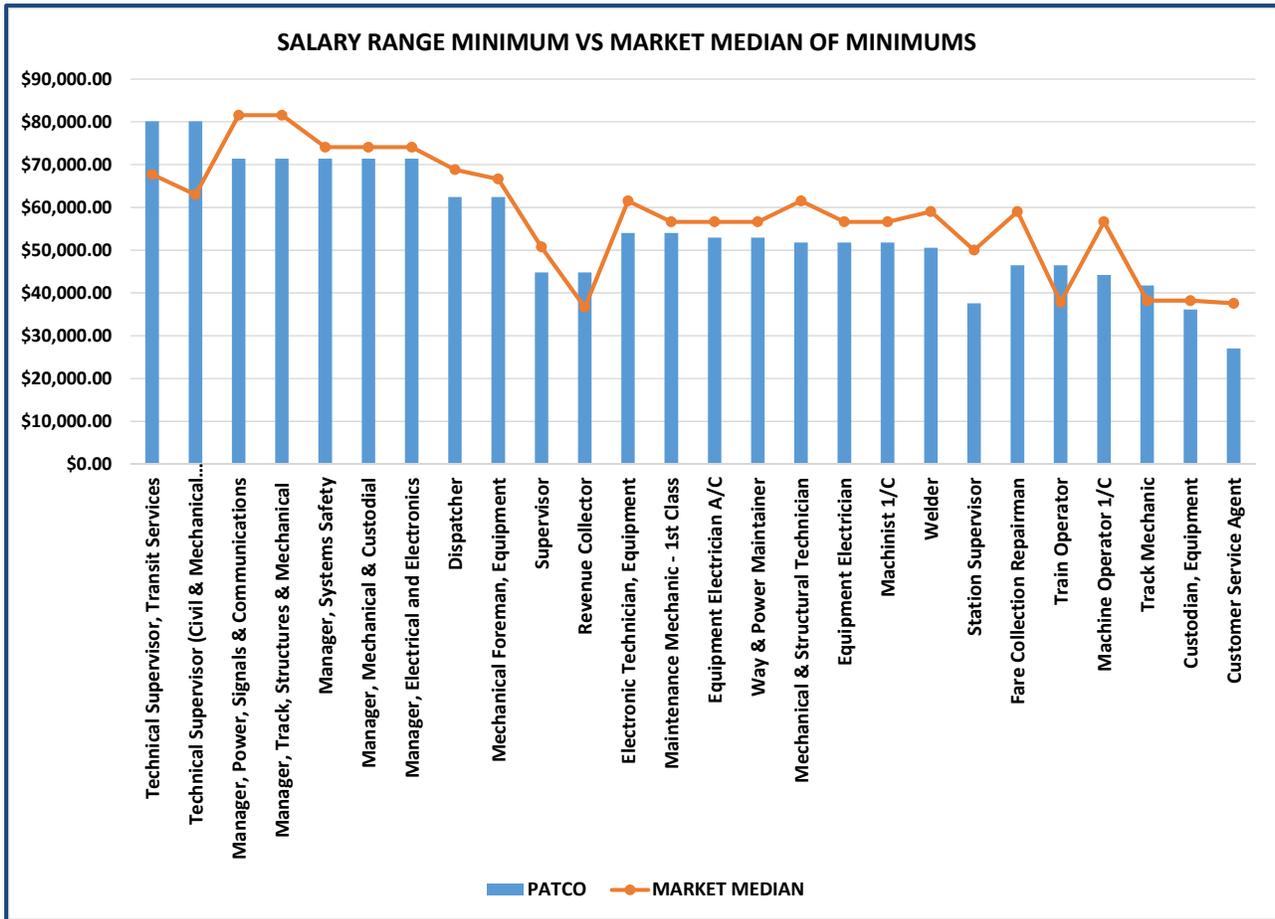
While the sample size is very small, it does represent those agencies providing services similar to those of PATCO and in reasonable geographic proximity.

- Reviewed information provided by the participating agencies to establish for each benchmark job:
 - Minimum / entry base pay rate.
 - Maximum annual pay rate.
 - Average actual annual pay.
- Analyzed the collected market data to compare the differences between current PATCO rates and the median (middle) rates at the minimum, maximum and average actual pay points. Appendix E to this report includes the detailed results of the data collection and analysis by job.

Minimum / Entry Pay Comparison

The graph on the top of the following page illustrates the comparison of PATCO entry rates to the median annual entry rate for comparable jobs from the participating survey agencies. The data indicates that for the significant majority of the benchmark jobs, the current PATCO minimum annual salary is below that of its regional competitors.

- On average, the minimum rate of pay at PATCO for the surveyed jobs is 9.1% lower than the minimum rate for comparable jobs.
- The differences noted ranged from 39% lower than the minimum market median for a Customer Service Agent to 18.6% higher for a Train Operator.

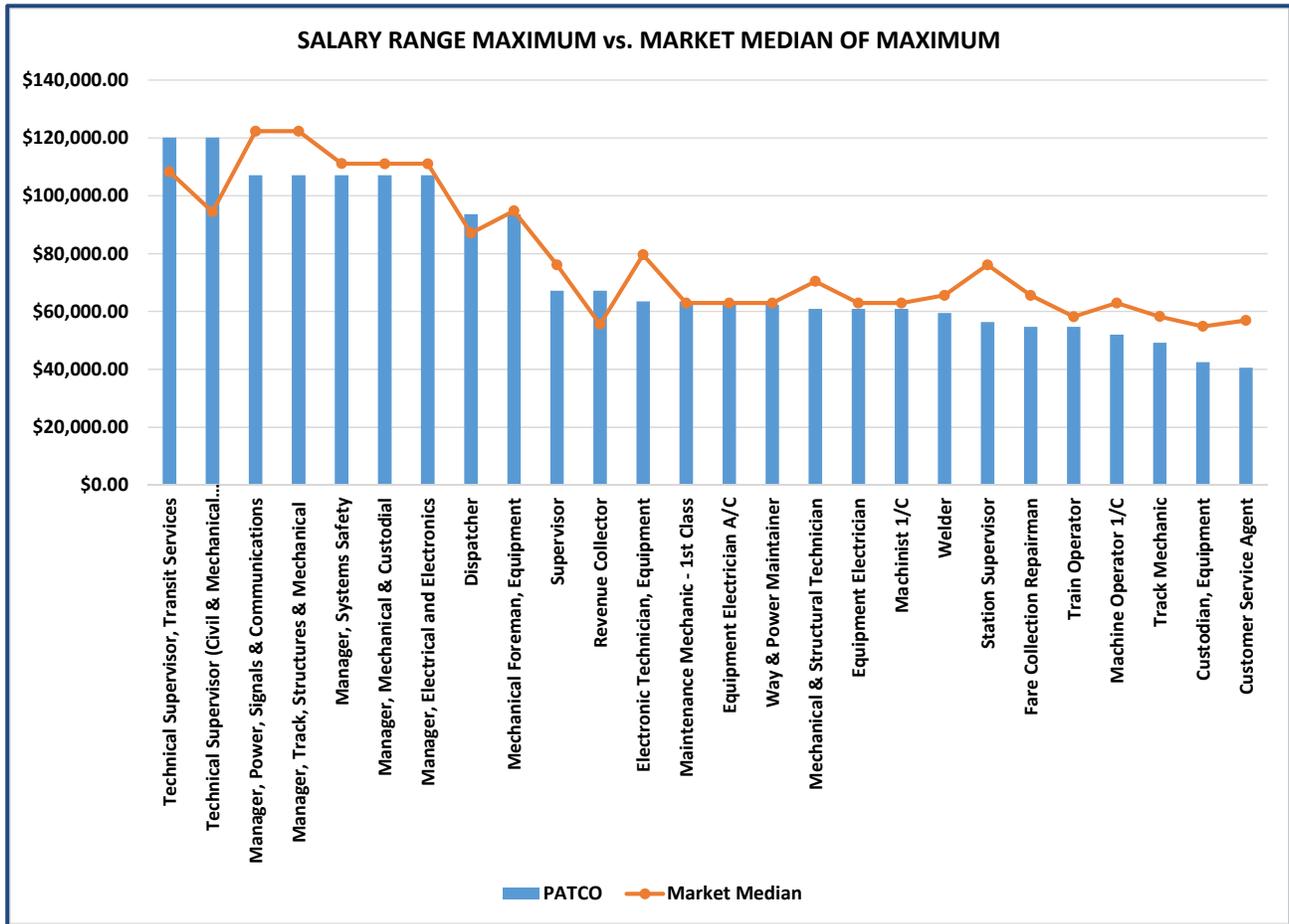


Maximum Pay Comparison

Looking at the maximum available rates of pay for the PATCO benchmarks in comparison to the middle of the surveyed market, as shown in the graph on the next page, PATCO maximums tend to be lower than that of their directly competitive counterparts.

- On average, the top available rate of pay in PATCO for the benchmark jobs is 8.5% lower than the comparable jobs in the peer agencies.
- The differences noted ranged from 32.8% lower for a Customer Service Agent to 21.3% higher for a Technical Supervisor (Civil and Mechanical Systems).

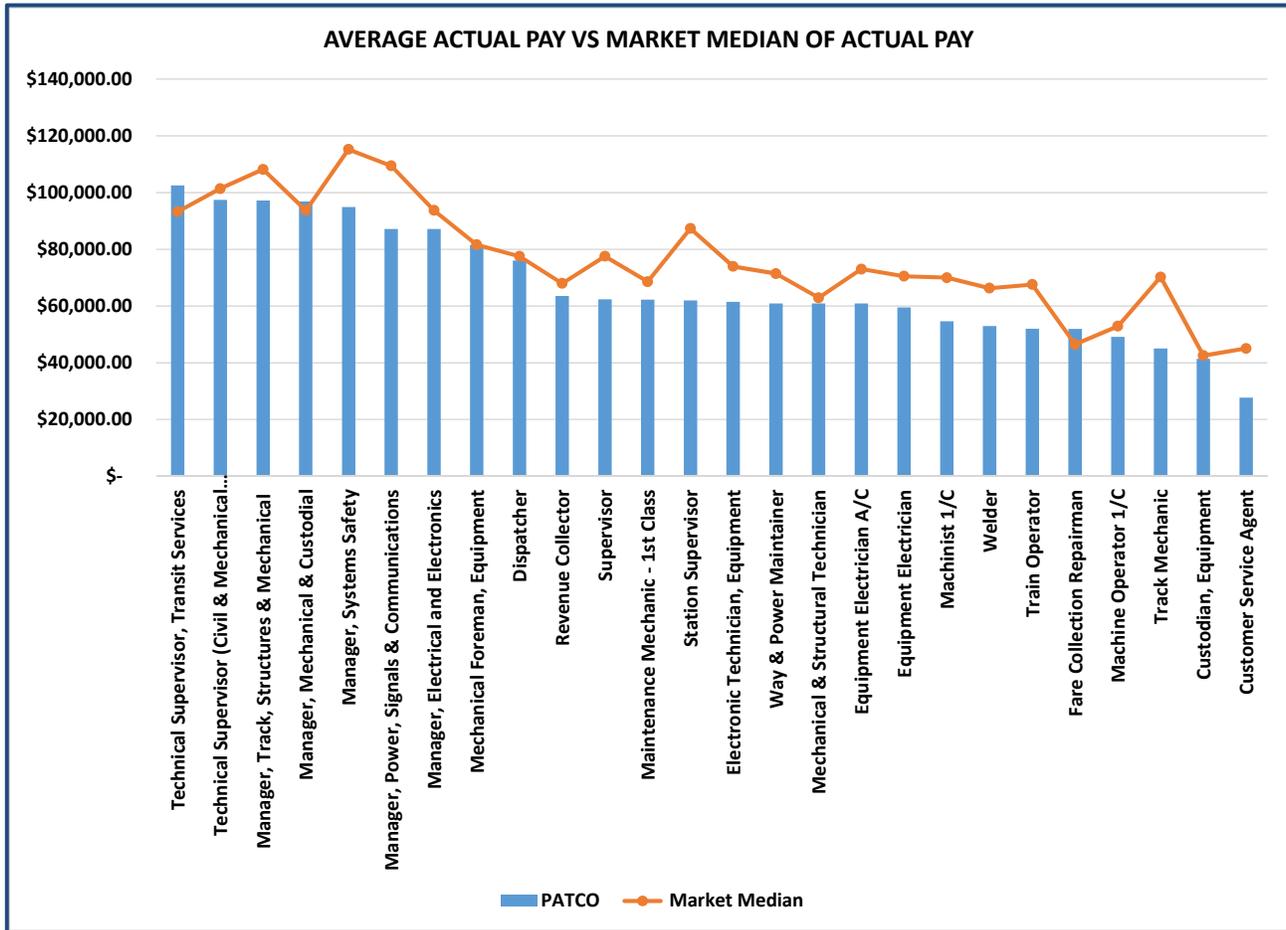
Taken together, the analysis of the salary range minimums and maximums suggest that, overall, the PATCO pay structures lag the structures in the comparison agencies by approximately 8% - 10% with some significant divergences above and below that range in individual cases.



Actual Pay Comparison

When comparing the average actual pay of PATCO employees in the benchmark jobs to the average actual pay of their counterparts in the three responding agencies, the data suggest that PATCO incumbents are paid less than their peers in many instances. The chart below illustrates this observation.

- On average, the average actual rate of pay at PATCO for the comparison jobs is 15.7% below that found for comparable jobs in the peer agencies.
- The differences noted ranged from 62.4% lower for a Customer Service Agent, which has shown the lowest pay against the market median for each category, to 10.47% higher for a Revenue Collector.



Compression Analysis

Salary compression is a challenge to internal equity of an organization’s compensation program and describes a condition where the pay differentials between employees with different experience, skills, organizational responsibility, or seniority are too narrow. Compression can occur when market conditions cause an organization to hire new employees at rates at or above the level of current incumbents in the same job. Compression can also occur when the actual pay of subordinate employees approaches, or even exceeds, the pay received by their managers or supervisors. In either case, the inequity caused by compression can negatively impact employee confidence in the pay structure, harm morale and reduce or eliminate the incentive for employees to seek career advancement through promotion to higher levels of responsibility.

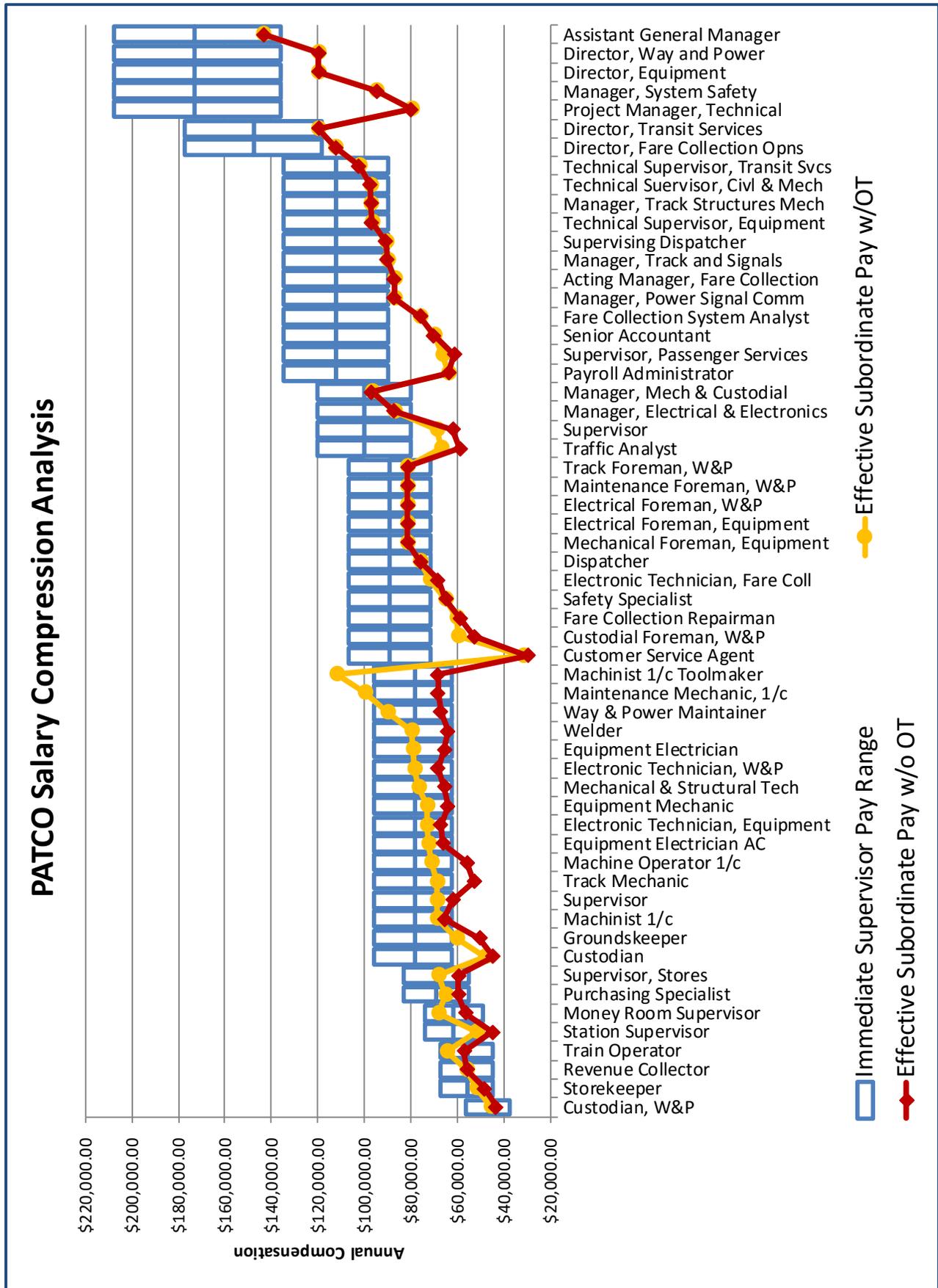
Through the management audit interview process, PATCO managers universally cited salary compression as a challenge, especially in terms of the inequities in actual pay between supervisors and subordinates in some areas of the company and in the difficulty in getting employees to apply for higher level positions.

To assess the degree of compression present in the current PATCO pay structure, TTM completed the following analyses:

- The current actual average base pay for selected PATCO jobs was compared to the actual average pay for the immediate supervisor. Where the subordinate earns 90% or more of the next higher supervisor or manager, that supervisor's job is deemed "compressed."
- The current actual average base pay plus the average overtime paid through mid-September, 2015 to subordinate employees was compared to the average actual pay of the next higher level position in the subordinates job hierarchy. Again, where the subordinate earned 90% or more than the supervisory job, the supervisor's job was considered compressed.
- The actual base pay for subordinate staff, "grossed up" to account for the added costs of pension and health insurance premium costs for represented staff was compared to the minimum, midpoint, and maximum pay rates for the next higher supervisory position. Where the "grossed up" pay equaled 100% or more of the entry, midpoint and maximum rate for the next higher level job, that higher level job was considered compressed.

The graphic on the following page shows the relationship of actual average pay for the jobs included in the compression analysis, plotted against the pay ranges – as opposed to actual pay levels – of the job to which they report or in the next highest level in the compensation structure. Because the default salary administration practice is to assign promoted employees to the minimum rate of the new pay grade – though this policy can be waived with appropriate justification, review and approval - those employees earning more than that minimum rate when all factors are considered, including overtime, pension contributions and health insurance premiums, have little or no incentive to move up. This analysis was completed both with and without overtime considered. As shown in graph:

- 39 of the 58 job titles examined in this analysis average total effective compensation (base pay plus overtime, plus an adjustment for pension contributions and health premiums where applicable) are earning 100% or more of the entry rate for their supervisor's job.
- Of those, 9 job titles average 100% or more of the midpoint of the supervisor's pay range and 2 actually earn more than 100% of the supervisor's maximum rate.
- At the higher end of the pay structure, where the subordinate positions do not receive overtime and are already contributing to the pension and health plans, the plotted lines overlap on the graphic.



Conclusion

The limited market data review and the compression analysis indicate that PATCO faces challenges in both the external and internal equity of its compensation program:

- The existing range and grade structure for the non-represented jobs has not been updated for over five years and, apart from the recent 2.5% adjustment this year, actual pay rates have been largely static.
- Comparisons to other transit properties suggest that the non-represented structure is in the range of 8%-10% low, with some jobs even further out of synch with the apparent market.
- Actual pay levels of both represented and non-represented PATCO staff are likely to be significantly behind actual pay levels – as differentiated from structure – in the regional transit agency salary market.
- Compression in the compensation plan, especially on the margin between the higher paid Teamster’s jobs and the non-represented supervisor and management jobs creates a disincentive for experienced and capable employees to advance into the management ranks.
- The requirement for extraordinary review and approval for managers seeking to extend salary offers above the minimum of the established pay rates limits the organization’s ability to mitigate the effects of compression in the pay structure.

Given the above, DRPA’s decision to contract for a thorough, comprehensive and independent expert evaluation of the total compensation structure and administrative process is well-advised and the findings and recommendations produced through that effort should be considered as more authoritative than the analysis conducted for this management audit.

Findings and Recommendations

Section VII presents the main findings and recommendations that are the primary deliverable product of the management audit. The recommendations are intended to address the improvement opportunities developed over the course of the management audit and are offered as constructive suggestions for the improvement of the PATCO organization, operations and service delivery of the transit company over the long term. Findings and recommendations are organized by topical areas to cover the elements of the audit scope, as follows:

- Organization and Management
 - Organizational structure
 - Duties and responsibilities of management staff
 - Management authority and spans of control
 - Staffing.

- Operational Efficiency and Effectiveness
 - Duplication and overlap
 - Operating costs
 - Reasonableness of salaries and benefits
 - Workflow.
- Policies, Practices and Compliance
 - Effectiveness of policies, processes and strategies
 - Standard operating procedures
 - Compliance.

The table following below lists each of the findings and recommendations included in the Final Report, by topical area.

Index	Finding	Recommendation
<p>Organization and Management This section of the Final Report includes findings and recommendations related to the organizational structure, management and staffing of PATCO, supervisory spans of control, management duties and responsibilities and areas of potential duplication and overlap.</p>		
ORG-1	The DRPA is in a period of organizational renewal and change.	Continue and expand efforts to fully integrate PATCO into the broader structure of the Authority.
ORG-2	PATCO’s strategic plan can be strengthened as an effective management tool.	Improve the alignment of the PATCO strategic planning process with that of the DRPA and strengthen its linkage to daily operational planning and performance management.
ORG-3	Managerial and supervisory spans of control are generally appropriate across the PATCO organization, with limited exceptions.	Create lead-worker / “Senior” level roles in those units with excessive spans of control to provide “working supervisors” as needed.
ORG-4	Duties and responsibilities of PATCO managers and staff are clearly established.	Streamline and simplify the current titling of PATCO positions.
ORG-5	Some PATCO managers appear to be under-classified given the nature of their duties and responsibilities.	Review selected positions for reclassification and upgrade.
ORG-6	Way & Power is responsible for a broad range of services and activities and responsibilities, some only loosely related to its core purpose and function.	Reorganize Way & Power to separate core responsibilities from ancillary support activities, creating an independent Facilities Management unit.

Index	Finding	Recommendation
ORG-7	Staffing levels across PATCO are widely perceived by employees, supervisors and senior managers as insufficient to meet workload demands.	Expedite the filling existing vacancies and conduct detailed workload and staffing analyses in all PATCO departments to justify any additional staffing requirements.
ORG-8	The PATCO System Safety Department is not the ideal location for day-to-day management of the drug and alcohol compliance program.	Consolidate the Drug and Alcohol compliance program within the DRPA Police Department.
ORG-9	Customer Service Agents lack effective supervision.	Consider reassignment of Customer Service Agents to the Passenger Services unit.
<p>Operational Efficiency and Effectiveness This section of the Final Report discusses findings and recommendations related to the efficiency and effectiveness of PATCO operations.</p>		
OPS-1	Work management processes across PATCO are in need of improvement.	Implement automated work order management technology.
OPS-2	Coordination and planning between and among Transit Services, Way and Power and Equipment needs improvement.	Continue efforts to ensure coordination, collaboration and teamwork among the various departments most directly involved in rail operations and service delivery.
OPS-3	Significant Way & Power resources are diverted to support capital improvement projects.	Develop alternative approaches to the provision of flagging and PATCO asset protection support to capital improvement projects.
OPS-4	Storage space for the equipment parts inventory is currently inadequate.	Consider renting portable storage modules to safely and securely house all assets being delivered to support the new rail vehicles.
OPS-5	Controls on the truck overhaul parts inventory need improvement.	Provide for secure storage for truck overhaul parts and develop procedures for improved asset control.
OPS-6	DRPA and PATCO are in the process of developing and documenting a formal Transit Asset Management program.	Thoroughly assess the impacts on PATCO staffing, processes and technology required to fully implement Transit Asset Management.
OPS-7	Limited skills of the Fare Collection Repairman position impedes the efficiency of the Fare Collection Maintenance Unit.	Over time, phase out the Fare Collection Equipment Repairman job and transition to 100% staffing at the Technician level.
OPS-8	Elevated levels of lost-time injuries compared to peer agencies have been experienced at PATCO.	Ensure adequate staffing in Equipment and Way and Power and conduct job hazard analyses for the maintenance functions (rolling stock, infrastructure & facilities).

Index	Finding	Recommendation
OPS-9	The process for the recruitment and selection of employees is unnecessarily time consuming and complex.	Streamline and accelerate the recruitment and selection processes.
OPS-10	Procurement timelines are unnecessarily long.	Increase purchasing thresholds and delegate additional purchasing authority to the General Manager.
OPS-11	Procurement cards are not in wide use within PATCO.	Implement procurement cards for Way & Power and other PATCO departments in connection with the ERP rollout.
OPS-12	Core administrative technology systems are antiquated and redundant across DRPA / PATCO, but soon to be replaced.	Over time, as the new ERP systems mature and stabilize, consolidate and reduce (or eliminate) the dedicated Finance, Payroll and Purchasing staff assigned to support PATCO.
OPS-13	The original go-live date for the Enterprise Resource Planning system has been delayed.	Ensure that PATCO employees at all levels are fully trained in the new ERP system and associated business processes before migrating to the upgraded technology.
OPS-14	The PATCO employee compensation program is outdated and severely compressed.	Complete a thorough update of the DRPA / PATCO classification and compensation plan, with a particular focus on restoring market competitiveness and “decompressing” the structure.
OPS-15	Robust competency models for PATCO’s executive leaders, managers and professional personnel have not been fully developed and deployed..	Work with Human Resources Services to create a fully documented managerial and leadership competency model for PATCO staff.
OPS-16	A formalized and documented management / leadership development program does not presently exist.	Working in collaboration with Human Resources Services, develop and document a competency-based management and leader development program.
OPS-17	PATCO lacks a fully-developed succession management process or plan.	In partnership with HRS, PATCO should develop and implement a comprehensive succession planning program.
<p><i>Policies, Practices and Compliance</i> Findings and recommendations related to PATCO’s strategy, business practices and policies and regulatory compliance activities are covered in this section of the Final Report.</p>		
PPC-1	The quality and completeness of the documentation of Standard Operating Procedures and policies is uneven across the PATCO organization.	Prepare a standardized and current set of operating policy and procedures manuals that are consistent across departmental lines, well communicated, fairly enforced and regularly reviewed and updated.

Index	Finding	Recommendation
PPC-2	New Federal safety and security regulations to be implemented in the Spring of 2016 will have significant impacts on PATCO and other transit service providers nationally.	Provide adequate resources and executive support / sponsorship to effectively implement the Safety Management System approach going forward.
PPC-3	The System Safety Manager does not report to the highest executive officer.	Consolidate all DRPA safety related functions with the PATCO System Safety Department to create a Safety Center of Excellence (COE).
PPC-4	Personnel resources assigned to the System Safety Office are limited in number and authority.	Continue to fully fund the safety and security contractors supporting PATCO's safety and security efforts and ensure that a safety training and certification program compliant with upcoming 49 CFR 674 is developed and deployed.
PPC-5	The Emergency Management function for PATCO is under-resourced for an agency of its size.	Consider hiring a PATCO Emergency Manager.
PPC-6	PATCO has effectively addressed compliance issues raised in the most recent Triennial Review.	Continue the existing practice of responsiveness and attention to future Triennial Review recommendations.
PPC-7	The current arrangement for the maintenance of elevators and escalators is effective, efficient and compliant.	Continue the contractual relationship with SEPTA for elevator and escalator maintenance.
PPC-8	Improvements to the ridepatco.org website could result in improved access for Limited English Proficient (LEP) riders.	Fully implement the Public Participation Plan by adding Google Translate to other pages on ridepatco.org.
PPC-9	Many of the agency's policies, procedures and records exist only in hard copy.	Ensure that PATCO documents all safety-critical functions, policies and procedures electronically.
PPC-10	The Equipment Department lacks a formalized quality control / quality assurance (QA / QC) program.	Establish an independent QA / QC and rail vehicle engineering function.
PPC-11	PATCO does not have fully documented technical manuals for the truck overhaul program.	Engage a qualified engineering services contractor to support the development of certifiable technical documentation to address all levels of life-cycle maintenance for the trucks.
PPC-12	PATCO training efforts are under-resourced, especially in Equipment and Way & Power.	Create Training Specialist positions in both Equipment and Way & Power.
PPC-13	Implementation success for prior management audit findings and recommendations is uneven.	Provide adequate resources to support the implementation of accepted audit recommendations.

Implementation Plan

A specific plan for the implementation of the audit recommendations is included in Section VIII of the final audit report. For each recommendation, the implementation plan:

- Restates the recommendation.
- Assigns a priority level (High, Med, Low).
- Suggests a timeframe for completion, by fiscal year, with the implementation of some recommendations spanning multiple fiscal periods.
- Assigns key accountable personnel, including both primary and supporting accountabilities.
- Implementation notes, including estimates associated costs where applicable.

Acknowledgements

Specific thanks and acknowledgement are due to several individuals including:

- DRPA Chief Executive Officer and PATCO President John Hanson
- PATCO General Manager John Rink and his management team including Bennett Cornelius, Kathleen Imperatore, Patrick McBride, William Shaw, Bob Traver, John Lotierzo, Dave Fullerton and Phil Spinelli.
- Acting Inspector General (now Internal Audit Manager) David Aubrey and his team, including Allen Sullivan and Yvette Martelli.
- Christina Maroney, Director, Strategic Initiatives.
- Karen Dougherty, the Administrative Coordinator to the PATCO General Manager.

II. OBJECTIVES, SCOPE AND METHODOLOGY

This document is a draft of the Final Report on the Port Authority Transit Corporation (“PATCO” or “Company”) Yellow Book Management Audit. A near-final draft, this document is intended for the presentation, review and comment by the Audit Committee of the Delaware River Port Authority (“DRPA”) and is designed to describe the audit background, objectives, findings and recommendations. Appropriate representatives of DRPA and PATCO have been afforded a similar opportunity for review and comment on a previous draft for the purpose of validating the factual basis of the findings and recommendations and to offer suggestions for clarification or revision. This draft incorporates the results of that review process.

This report includes an overview of the background and purpose of the management audit, provides an overview of tasks completed to date and summarizes the consulting team’s initial assessment of the effectiveness of PATCO organization as presented in the previously submitted Interim Report. An Executive Summary and an Implementation Plan have also been added. Following presentation, review and discussion of this report with the Audit Committee, and based on any additional feedback received, the TransTech team will complete final revisions and clarifications and will incorporate PATCO management’s formal response to the audit into a final document.

Background

The DRPA is a bi-state public transportation agency created by an agreement between the Commonwealth of Pennsylvania and the State of New Jersey, with the consent of the United States Congress. This agreement is generally referred to as the “Compact” agreement. As defined in the Compact as originally agreed and subsequently amended, DRPA’s primary powers and responsibilities include but not limited to:

- Ownership and operation of four toll bridges connecting New Jersey and Pennsylvania across the Delaware River including the Benjamin Franklin Bridge, Walt Whitman Bridge, Commodore Barry Bridge and the Betsy Ross Bridge.
- Operation of the Port Authority Transit Corporation’s (PATCO) high speed heavy rail system operating under regulatory oversight of the Federal Transit Administration. The PATCO system is 14.2 miles in length and connects central city Philadelphia to Lindenwold, New Jersey, serving thirteen stations and carrying an average of approximately 36,000 passengers every weekday.

The Authority is governed by a 16-member Board of Commissioners, with eight members appointed by the Governor of New Jersey and ratified by the New Jersey Senate and six members appointed by the Governor of Pennsylvania. The Auditor General and the State Treasurer of Pennsylvania serve as ex-officio commissioners for Pennsylvania.

The Chief Executive Officer of DRPA manages the daily operations of the Authority under the policy guidance and directives of the Board of Commissioners and is accountable for the effective implementation of the Board's directives consistent with the Authority's governing documents. The Chief Executive Officer also serves in the role of President of the Port Authority Transit Corporation subsidiary.

Article XII of the DRPA Compact specifically requires the periodic performance of a management audit, as follows:

“Not less than once every five years, the Commission shall cause a management audit of its operational effectiveness and efficiency to be conducted by an independent consulting firm selected by the commission.”

In August of 2010 the DRPA Board of Commissioners adopted Resolution DRPA-10-040 – one of several “reform resolutions” intended to strengthen public accountability and transparency – to create an Audit Committee whose duties include overseeing an independent management audit of the Authority every **two** years. To ensure that the biennial management audits are conducted in accordance with the Compact and Resolution DRPA-10-040 the Audit Committee identified four discrete divisions of the Authority, two of which are to be examined every two years on a rotating basis, as follows:

- DRPA Administrative and Support Functions (including all other departments and functions not specifically listed below).
- Public Safety (including the Department of Emergency Management and Homeland Security).
- Bridge Operations.
- PATCO.

In furtherance of this mandate, the DRPA, through its Office of the Inspector General, competitively selected and engaged the services of TransTech Management, Inc. (“TTM”), along with subject matter expert teaming partners from Kensington Consulting and Raul V Bravo + Associates, to conduct an independent management and performance audit of its wholly-owned subsidiary, PATCO, and to recommend improvements to enhance its overall effectiveness and efficiency.

Audit Objectives

The specific objectives of the 2015 PATCO management audit include:

- Conduct a thorough, objective and independent assessment of the organizational and operational efficiency and effectiveness of PATCO services and operations.
- Identify and recommend ways by which the Authority can maintain or improve service to its customers while reducing or moderating operating losses.
- Examine the effectiveness of management of administrative services performed by external consultants or contractors.
- Evaluate the Authority's implementation of recommendations from prior internal and independent audit reports.
- Develop specific findings, conclusions and recommendations for improvement.
- Develop and deliver an implementation approach and specific, executable action plans.
- Compile and deliver a thorough written report of findings and recommendations for presentation to the Authority's Audit Committee and Board of Commissioners.

Audit Scope

As described in the Authority's request for proposal, the scope of the PATCO management audit is comprehensive. All PATCO departments and functions are included in the project scope including:

- Office of the General Manager.
- Transit Services.
- Passenger Services and Fare Collection.
- Way and Power.
- Equipment.
- System Safety.
- Shared administrative services provided by DRPA including Finance, Payroll, Human Resources and Information Services.

The following aspects of PATCO's organization, management and operations are addressed:

- Organizational structure.
- Duties and responsibilities of management and staff.
- Management authority and span of control.
- Effectiveness of policies, processes and strategies, including contracts, project management, maintenance and safety, etc.
- Staffing levels.

- Duplicative and/or redundant staff functions.
- Operating costs and opportunities for cost reductions.
- Reasonableness of salaries and benefits compared with regional industry standards (including the risk of salary structure compression).
- Compliance with FTA regulations including review of procedures for elevators and escalators.
- Review of Standard Operating Procedures (SOPs) for all departments.
- Work flow analysis of all departments including Way and Power.

The audit was facilitated by the DRP Office of the Inspector General.

Yellow Book Audit Approach

TTM performed the audit in accordance with the Generally Accepted Government Auditing Standards (“GAGAS”) issued by the Comptroller General of the United States, also known as the “Yellow Book.” More specifically, we developed our approach and conducted our work with reference to Chapters 1-3, 6 and 7 of the Yellow Book, which define general standards for all audit assignments (Chapters 1-3) and the specific standards for the conduct and reporting of performance audits (Chapters 6 and 7), which are differentiated from financial audits and attestation engagements.

The general standards state that the auditor must:

- Perform the work in **accordance with basic ethical principles**, including respect for the public interest, integrity, objectivity, proper use of government information and resources and professional behavior.
- Maintain **independence** in both fact and appearance.
- Use **professional judgment** in the planning, conduct and reporting of audit results, including the exercise of reasonable care and professional skepticism in accordance with applicable professional standards and ethics.
- Possess the **professional competence** needed to address the audit objectives.
- Provide adequate **quality control**.

Performance audits, such as the PATCO management audit, are used to provide assurance or to reach conclusions regarding the efficiency, effectiveness and economy of the subject organization. Performance audits provide objective analysis and recommendations to management and decision makers in order to facilitate the improvement of operations, support executive decision-making and improve accountability.

Management and performance audits that comply with the standards established in the GAGAS provide reasonable assurance that the auditor has planned and performed the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the established audit objectives. Accordingly, the major tasks of the TTM approach include the following:

- ***Task 1 – Plan and Initiate the Audit***

Yellow Book standards require that performance audits be adequately planned and documented such that project risk is minimized and to ensure that evidence developed will be sufficient and appropriate to support future findings and conclusions. This task addresses that requirement and includes those activities necessary to solidify mutual understanding of the audit scope, objectives, deliverables and timing as well as ensuring that appropriate PATCO and consultant resources are available and well-coordinated.

- ***Task 2 – Complete Interviews and Field Work***

Auditors must obtain sufficient, appropriate evidence to provide a reasonable basis for their findings and conclusions. This is the primary fieldwork and data collection stage of the performance management audit and it is through these activities that the team develops an understanding of the current state of the PATCO functions and services included in the audit scope. Using interviews, focus groups, direct observation, document review and other data gathering and research techniques, the audit team compiles, organizes and synthesizes the information and evidence needed to assess the effectiveness and efficiency of PATCO operations and to subsequently develop fact-based audit findings and recommendations. Appendix A lists documents gathered, reviewed and referenced over the course of the audit engagement while Appendix B lists the individuals interviewed by members of the audit team.

- ***Task 3 – Develop Audit Findings***

The auditing standards require the performance and documentation of an overall assessment of the collective evidence used to support audit findings, conclusions and corrective actions. At this stage of the performance audit, the TransTech team critically evaluates the data gathered and reviewed previously, reaches conclusions and documents specific findings and preliminary recommendations for improvement.

- ***Task 4 – Prepare and Review Audit Report***

The reporting stage in the performance management audit involves the preparation and delivery of a complete set of documented findings and recommendations for the consideration of PATCO and DRPA management. The report is first submitted in draft and is reviewed for completeness and accuracy. After necessary and appropriate revision, a final report is prepared along with a sequenced implementation action plan.

- **Task 5– Conduct Audit Outbrief**

This final task involves the activities necessary to thoroughly communicate the audit results, findings and recommendations to appropriate policy leaders, executive managers and affected staff members.

We believe that the evidence obtained through the course of our work supports our findings and recommendations and provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Methodology and Completed Tasks

The TTM audit team has applied a structured audit methodology including a series of tasks and subtasks planned and organized within the framework described above. Individual subtasks completed during the performance of the management audit include:

- Task 1.1 – Complete preliminary audit planning.
- Task 1.2 – Formally initiate the audit.
- Task 1.3 – Mobilize the audit team.
- Task 1.4 – Finalize the audit scope, plan and budget.
- Task 2.1 – Prepare for audit fieldwork.
- Task 2.2 – Review and understand the current PATCO mission, vision and strategic objectives.
- Task 2.3 – Discover and document the “as-is” organizational structures, processes, performance objectives and actual results.
- Task 2.4 – Prepare and review a factual organizational profile (incorporated into an Interim Report document.)
- Task 2.5 – Assess user satisfaction levels.
- Task 3.1 – Assess efficiency, effectiveness, responsiveness and compliance of PATCO business functions.
- Task 3.2 – Complete targeted data analysis.
- Task 3.3 – Prepare and review a Draft Report of Audit Findings and Recommendations.
- Task 4.1 – Complete additional data collection and analysis as required (based on feedback received from PATCO management and the Inspector General.)
- Task 4.2 – Prepare and deliver the Final Audit Report.
- Task 4.3 – Collect and incorporate final responses to findings and recommendations.

- Task 5.1 – Conduct an audit outbrief.

As noted above, following presentation of this report to the Audit Committee, final revisions will be made and management’s response incorporated as an appendix to create the final report deliverable.

Organization of the Audit Report

Yellow Book standards require auditors to issue reports that effectively communicate the results of the completed audit. The form of the report should be appropriate for its intended use, should effectively communicate results to the appropriate officials of the audited entity, make results understandable to the intended audience – including the general public – and should facilitate follow-up to determine whether recommendations have been adopted.

Auditors must provide in the report a description of the audit objectives and scope and should describe the methodology applied to accomplish the objectives. Findings must be based on evidence sufficient to assist management in understanding the basis of the recommendations provided.

This Final Report on the PATCO management audit is organized into sections as follows:

- I. Executive Summary
 - II. Objectives, Scope and Methodology
 - III. Organizational Profile
 - IV. Preliminary Assessment Summary
 - V. Internal Support Services Survey Results
 - VI. Compensation Competitiveness Analysis
 - VII. Findings and Recommendations
 - VIII. Implementation Plan
- Appendix A – List of Source Documents
Appendix B – List of Interview Participants
Appendix C – Citizen Advisory Committee Focus Group Summary
Appendix D – Internal Support Services Survey Detail
Appendix E – Compensation Survey Data
Appendix F – Workflow Focus Group Summaries

Acknowledgements

Throughout the course of this engagement, the TTM audit team had extensive contact and interaction with members of the management and staff of the DRPA and PATCO. The information and access required for the completion of the management audit were readily made available, employees actively participated in interviews, focus groups, site visits and other tasks. No request for additional information was declined.

Specific thanks and acknowledgement are due to several individuals including:

- DRPA Chief Executive Officer and PATCO President John Hanson
- PATCO General Manager John Rink and his management team including Bennett Cornelius, Kathleen Imperatore, Patrick McBride, William Shaw, Bob Traver, John Lotierzo, Dave Fullerton and Phil Spinelli.
- Acting Inspector General (now Internal Audit Manager) David Aubrey and his team, including Allen Sullivan and Yvette Martelli.
- Christina Maroney, Director, Strategic Initiatives.
- Karen Dougherty, the Administrative Coordinator to the PATCO General Manager.

The next section of the Final Report provides an overview and summary description of the current PATCO organizational structure, staffing and services.

III. ORGANIZATIONAL PROFILE

This section of the Final Report presents an overview of the current responsibilities, organizational structure, allocated staffing resources and the published key performance indicators of each department of PATCO. The organizational profile is purely descriptive in nature – not evaluative - and intended to document our understanding of the current structure, responsibilities, strategies, goals, and operations of the company. This profile is not offered as an exhaustive and detailed description of every aspect of PATCO and its operations, but rather establishes the broad organizational context of the management audit and provides a factual foundation for subsequent sections of this Interim Report. Validation and verification of this factual foundation is an important predecessor step to the completion of the audit analysis and the development of final recommendations.

PATCO Overview

PATCO is the DRPA's operating entity for the management of the high speed commuter rail service linking center city Philadelphia to the New Jersey suburbs, sometimes referred to as the "Speedline." PATCO was created in 1967 and began service in 1969 to address the pressing need to transport large numbers of commuters between Philadelphia's center city and its eastern suburbs in New Jersey.

Rail service is available seven days a week, around the clock, and provides a cost-effective and rapid means of passenger service while helping to relieve traffic on the DRPA's four toll bridges across the Delaware River. Subway service in center city Philadelphia offers easy connections to the Southeastern Pennsylvania Transportation Authority (SEPTA) for bus, trolley, subway, regional rail and Amtrak. On the New Jersey side of the line, connections to New Jersey Transit services are available. Through these inter-connections, PATCO users have access to a wide array of regional – and even national – rail transportation services.

The PATCO rail fleet consists of 120 direct-current, 3rd rail powered rail cars. The fleet is currently in the midst of a complete refurbishment program, with the first six refurbished cars placed in revenue service in May of 2015. The company maintains 14.25 miles of double-tracked right-of-way and operates 13 stations, four of which are in Philadelphia and the remaining nine in New Jersey. The stations are:

- Philadelphia Stations
 - 15th-16th and Locust
 - 12th – 13th and Locust

- 9th – 10th and Locust
- 8th and Market
- New Jersey Stations
 - City Hall
 - Broadway
 - Ferry Avenue
 - Collingswood
 - Westmont
 - Haddonfield
 - Woodcrest
 - Ashland
 - Lindenwold

The system operated by PATCO is well established and stable. Although PATCO does not have current plans for system extensions or service expansions, both the DRPA and PATCO are undertaking major capital improvements now and into the near future. Examples include:

- The tracks over the Ben Franklin Bridge are currently undergoing a complete replacement, along with structural improvements to the bridge itself. This is a two-year, \$103 million project, expected to be completed by the end of 2015.
- The entire fleet of PATCO railcars are scheduled for significant upgrades to both the technology and the interior design, comfort, safety and passenger security. At an expected cost of \$194 million, this one of the largest capital projects in the history of the DRPA.
- PATCO stations are being equipped with new electronic signage.
- Rehabilitation of the Westmont and Lindenwold viaducts.
- A multi-phase project to replace transformers at electrical substations.
- Various station upgrades and enhancements including, for example, the availability of cellular service, WiFi access and the leverage of General Transit Feed Specification (GTFS) scheduling and status data for customer information.

The 2015 Capital Budget also includes funding to begin the design work for the potential reopening of Franklin Square station in Philadelphia.

Operating and Capital Budgets

PATCO is a \$120 million annual enterprise. For fiscal year 2015, a total operating budget of \$52.3 million was approved for PATCO, net of approximately \$4.5 million of reimbursable labor and related costs from capital projects and Federal Transit Administration funds.

Operating revenues from passenger fares in 2015 are budgeted at \$24.5 million, with additional revenues from such sources as parking, advertising and other sources adding another \$1.4 million. DRPA will absorb a \$26.3 million operating loss in 2015, up approximately 23% from the prior year.

The 2015 DRPA Capital Program allocates \$53 million in capital project funds to PATCO (net of federal funding), including the 2015 portion of multi-year projects. Additional capital spending budgeted for 2015 totals \$7.6 million, including:

- \$6.1 million in various technology upgrades and improvements.
- \$1 million in miscellaneous projects and equipment (Schedule D).
- \$0.5 million in miscellaneous technology projects and equipment (Schedule T).

Organizational Structure and Staffing

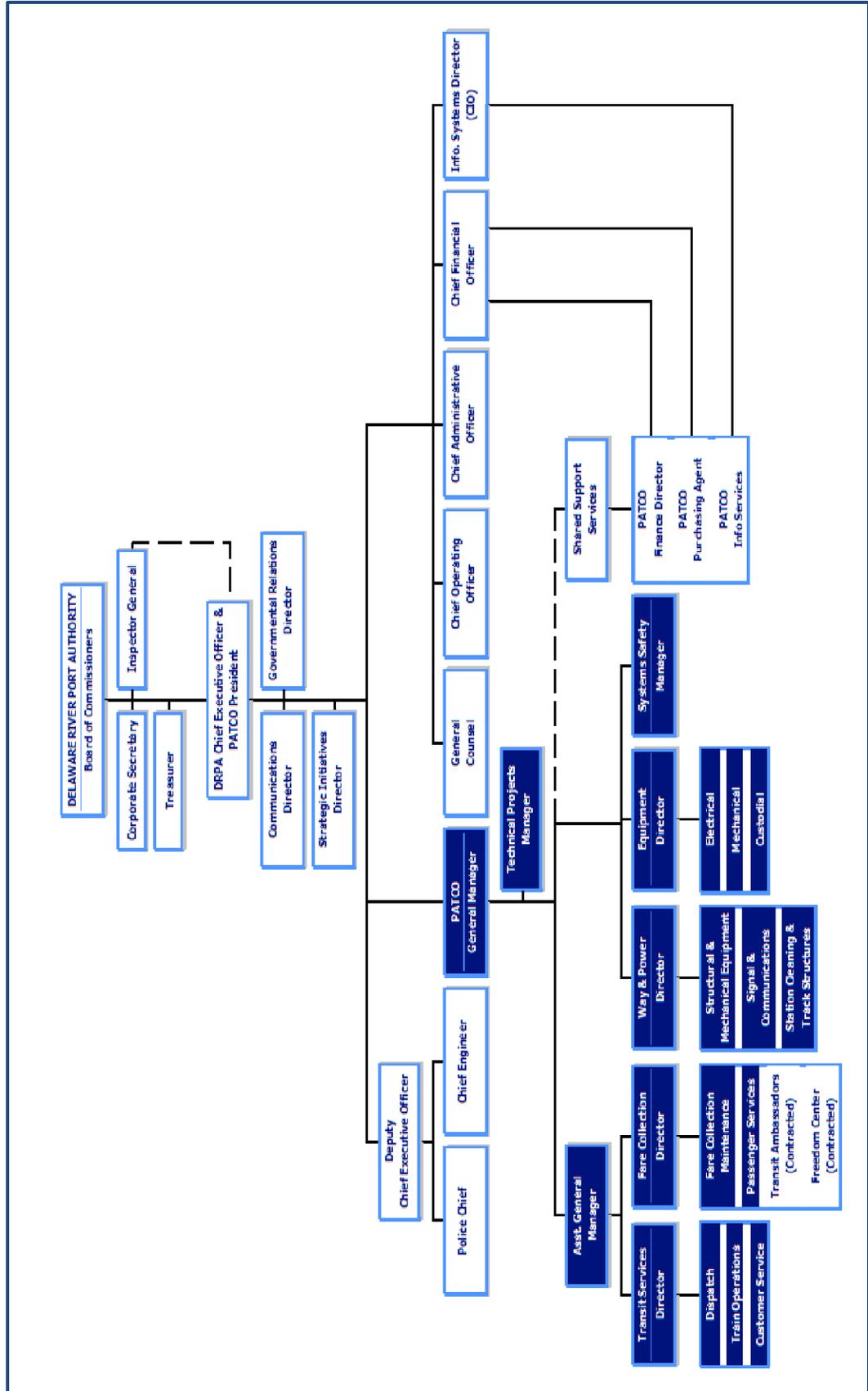
The overall structure of PATCO within the context of the DRPA organization is shown on the following page.

Leadership and management accountability for the day to day operations of PATCO are the responsibility of the General Manager, who is hired by the Chief Executive Officer of DRPA / PATCO President, subject to the confirmation of the DRPA Board of Commissioners. The General Manager's position is organized at a level within the DRPA equivalent to that of other senior level managers.

The Directors of five departments of PATCO assume responsibility for their respective aspects of the rail system's operation and maintenance. These include:

- **Transit Services** – responsible for the scheduling and operation of the rail system, the daily inspection of rail equipment and the reporting of maintenance issues and defects. The collection, analysis and reporting of ridership data is also the responsibility of Transit Services staff.
- **Equipment** – responsible for preventive maintenance and the repair of railcars and other vehicles and equipment required for operation of the system, as well as the interior and exterior cleaning of rail cars.
- **Way and Power** – responsible for the maintenance of the physical assets of the system including mainline and yard track, right-of-way infrastructure, electrical substations, transit signaling and PATCO facilities maintenance and upkeep.

DRPA / PATCO Organizational Structure



- **Passenger Services and Fare Collection** – responsible for the operation of PATCO's automated ticket machines, collection of parking fees, the sale of fare cards and the collection, counting and deposit of all fare receipts. Station Supervisors and Transit Ambassadors are another primary interface with the riding public.
- **System Safety** – responsible for the development, monitoring, training and administration of a comprehensive safety program to protect PATCO passengers, employees, contractors and the general public in accordance with the State Safety Oversight program requirements of the Federal Transit Administration under 49CFR 659.

Certain administrative support functions, including **Finance, Purchasing and Information Services**, have personnel assigned and dedicated to PATCO and are located in PATCO facilities and supervised by the General Manager but are dually accountable to their counterpart units and managers at the parent / DRPA level of the organization.

An Assistant General Manager serves as the second-in-charge of PATCO and advises the General Manager on all aspects of PATCO operations. The Assistant General Manager directly oversees the Transit Services and Fare Collection departments, the two units that interact most directly with passengers and the public. The remaining directors report directly to the General Manager.

As a component unit of DRPA, all other administrative policies and guidance from the DRPA apply in such areas as Legal, Human Resources, Risk Management, Engineering, etc.

The authorized headcount for PATCO is 336 positions. Of that total strength, 70% are represented by the Teamster's union.

As of June 2014 (the last report available at the time of the audit team's field work), 35% of the total staffing of PATCO is either currently eligible for retirement or within one year of such eligibility.

Turnover of personnel is generally low, with an average annual turnover rate of 7.3% over the years 2012-2014. Involuntary separations over the same period averaged 2.65%. Of the 66 separations during that time period, the largest single reason for the turnover was retirement (26), followed by terminations (20) and resignations (14). The largest number of separations of all types were among Train Operators, accounting for 14 of 66 separations or 21% of the total.

Ridership

PATCO ridership has been generally stable over the last 10 years, with a notable dip in 2014. According to a combination of the National Transit Database and PATCO data, annual ridership has exceeded 10 million passenger trips since 2008. A 5% decline in 2014 was attributed to a combination of factors including the beginning of the Benjamin Franklin Bridge project and the attendant schedule disruptions, bad weather and generally favorable gas prices.

Ridership statistics over the past 24 years show a high annual ridership of 11.4 million in 1991 and a low of 8.8 million in 2003. Over the years since 2004, the ten year trend in ridership has been generally up.

PATCO Strategic Plan

In 2013, PATCO's General Manager, along with the Technical Project Manager, recognized a need to think strategically about the future of the Company and to better align its operations with the parent DRPA organization. The plan was developed with the involvement of PATCO Directors, Managers and employees, both represented and non-represented.

PATCO's statement of strategic vision – currently under review to better align it with the DRPA vision statement - reflects a focus on public transportation in the interest of the region's citizens and on the stewardship of the public resources entrusted to it.

“PATCO’s vision is to exceed our customer expectations and to meet the mobility needs of the region by enhancing the public transportation service. Our course of action will be to continuously improve our performance in every area and at every level of the organization. Guiding our performance will be a clear and concise strategic plan, which includes hiring, developing and retaining a diverse workforce of the highest caliber and focusing on the needs of our customers.”

The stated mission of PATCO is also under review to reflect current DRPA priorities and focus. It currently reads:

“The mission of the Port Authority Transit Corporation is to operate a cost effective transit system that will meet the needs of its ridership customer base in a safe, clean, convenient, affordable, and customer-friendly manner. PATCO will strive to be a contributor to the economic vitality of the region it serves and will always be mindful and respectful of the physical and economic environments in which it operates.”

The core values endorsed and espoused by PATCO management include:

- Safety and security.
- Customer focus (internal and external).
- Mobility and connectivity.
- Sustainability.
- Financial responsibility.
- Improved transportation infrastructure.

- Use of technology.
- Ethics and transparency.
- Organizational excellence and performance accountability.

The PATCO strategic plan establishes nine specific strategic goals covering a total of 43 supporting objectives.

Goal 1: Safety and Security

- Improve safety and security in all areas of the operation by fostering a culture that minimizes risk for passengers and employees.
- Train employees and establish coordinated plans with neighboring communities in mitigating operational emergencies.
- Maintain a safety awareness environment through training and education programs.
- Aggressive enforcement of Authority policies, procedures, and rules regarding safety.
- Continue to use Joint Work Place and Safety Assurance and Compliance Committees to address safety / security / hazardous conditions.
- Foster good working relationships and seek opportunities with NJSOA, APTA, and FTA.
- Measure safety performance.
- Establish an Emergency Command and Control Center – C3.

Goal 2: Customer Focus (Internal and External)

- Consistently seek ways to improve customer satisfaction.
- Continually seek ways to improve communications with our customers.
- Provide efficient, customer-oriented, technology-advanced solutions for PATCO operations that meet passenger needs and expectations.
- Improve internal communications.
- Continually solicit employee input and ideas and provide meaningful feedback.
- Recognize employees for the important role they play in representing PATCO.

Goal 3: Mobility and Connectivity

- Work with SEPTA and NJT to promote the use of mass transit.
- Make travel easier and more attractive for rail passengers by maintaining and improving the overall appearance and condition of PATCO stations.

- Strengthen PATCO’s collaborative relationship with “sister” agencies by establishing common goals and priorities in order to deliver reliable service and respond to operational issues.
- Foster good working relationships and seek opportunities with DVRPC.
- Strive to make public transportation in the region seamless.

Goal 4: Advance Sustainability

- Reduce the impact of PATCO operations on the environment.
- Promote the use of “Green” technologies and processes.
- Develop and deploy energy saving strategies that will be efficient and cost effective.
- Collaborate with Regional Agencies on innovative methods to achieve sustainability.

Goal 5: Exercise Financial Responsibility

- Operate in the most efficient and financially sound manner possible by being innovative, highly-skilled and responsive to opportunities.
- Improve financial performance of existing services by improving train performance and increasing cost recovery.
- Adopt a greater strategic approach to planning and budgeting its need for external funding.
- Generate incremental financial value for PATCO to support the organizations core business and reduce its need for external funding.
- Continually seek opportunities to develop alternate revenue streams.

Goal 6: Maintain and Improve Transportation Infrastructure

- Improve accountability and decision making regarding PATCO assets.
- Completion of PATCO Car Overhaul Program.
- Long-term investment of capital dollars to maintain PATCO and bring the system’s infrastructure to a state of good repair.
- Aggressively pursue grant opportunities for planned capital projects.
- Develop and maintain an asset/capital maintenance program.
- Align and balance maintenance needs and capital investment with available capacity.

Goal 7: Maximize the Use of Technology

- Stay current with new technologies.
- Apply new technologies to enhance the performance and efficiency of the PATCO system.

Goal 8: Emphasize Ethics and Transparency

- Continual training on ethics and procurement.
- Review and update policies.
- Make more information accessible to the public.
- Reinforce appropriate behavior in the workplace.

Goal 9: Organizational Excellence and Performance Accountability

- Invest in employee development and training.
- Continually measure performance against established benchmarks.
- Develop and Implement Succession Planning.
- Increase employee and management accountability.

Departmental Profiles

Summary profile descriptions of each PATCO Department continue on the following pages. Within each of the Departmental profiles is presented:

- A brief introductory statement of the Department's purpose and function.
- An organizational chart and a summary description of reporting relationships, responsibilities and spans of supervisory and management control.
- A detail of the authorized staffing levels by job title.
- Identification of the primary information technologies supporting the Departments' services and operations.
- A listing of the Key Performance Indicators currently published, tracked and reported.

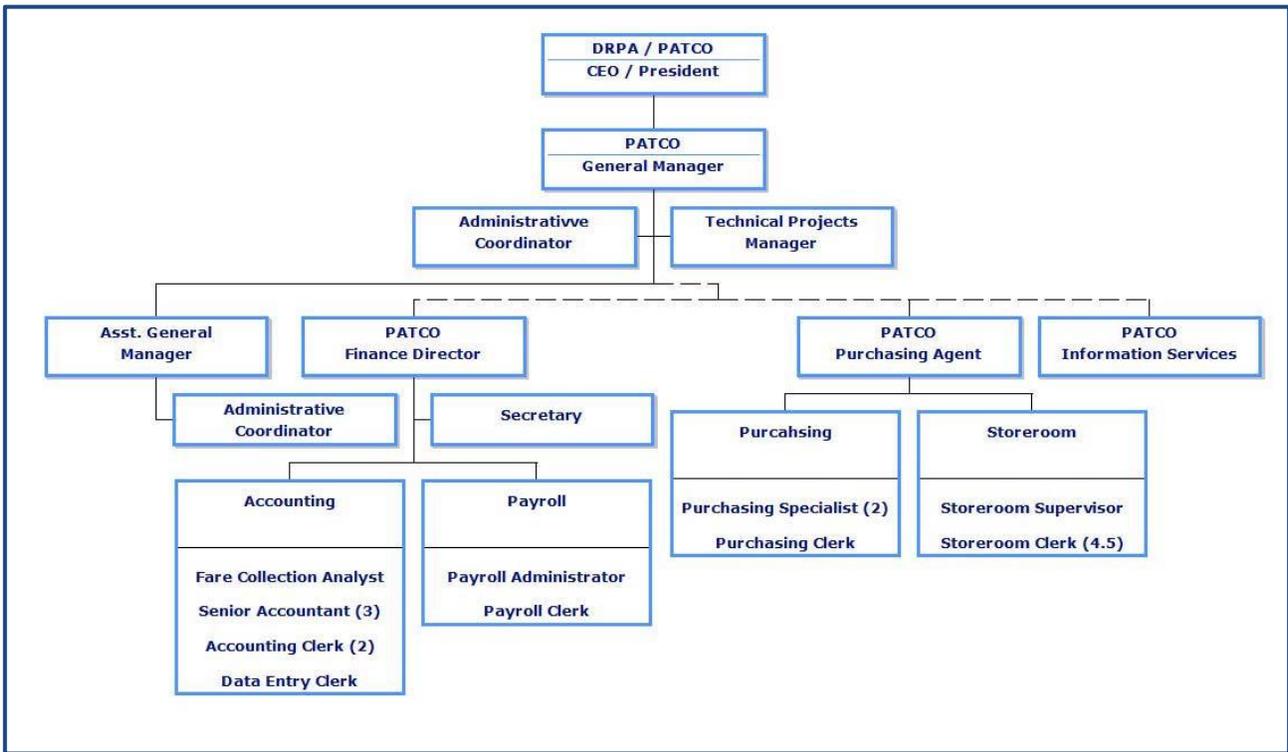
PATCO Governance / General Manager's Office

The General Manager and his immediate staff serve as the primary interface between the PATCO organization and DRPA. The General Manager's office is responsible for all aspects of the planning, operation and management of the rail system, the direct oversight of the five operating departments of PATCO and for the fiscal and human resources administration of the company.

Organizational Structure

The current organizational structure of General Manager's Office is shown on the following page. The main functions organized within the General Manager's Office include:

General Manager’s Office



- The General Manager and his direct staff, including the Assistant General Manager and two Administrative Coordinators.
- A Technical Project Manager assigned responsibility for the oversight and execution of a variety of PATCO administrative initiatives and technology-related projects.
- The General Manager’s Administrative Coordinator manages the company’s complaint tracking database.
- Three internal support functions are staffed by PATCO personnel reporting directly to higher level personnel at the DRPA level of the organization but housed with and dedicated to PATCO support. These include PATCO Finance, PATCO Purchasing and PATCO Information Services.

Spans of control for the various functions included in General Manager’s Office are as follows:

- The General Manager’s span of control totals seven direct reports including the Assistant General Manager, three Directors, the Technical Project Manager and the Administrative Coordinator to the General Manager. If the indirectly reporting managers / support staff assigned by DRPA are considered, the General Manager has a span of control ten.

- The Assistant General Manager's span of control includes two Directors and an Administrative Coordinator.
- The average span of control within the PATCO Finance office is 2.33 personnel per supervisor / manager.
- The average span of control in the PATCO Purchasing office is 4.5 staff per supervisor / manager.

Authorized Staffing

Total authorized strength for the General Manager's Office is 25 full and part time positions as detailed below.

- PATCO management (5)
 - 1 General Manager
 - 1 Assistant General Manager
 - 1 Technical Project Manager
 - 2 Administrative Coordinators
- PATCO Finance (11)
 - 1 PATCO Finance Director
 - 1 Fare Collection Analyst
 - 3 Senior Accountants
 - 2 Accounting Clerks
 - 1 Data Entry Clerk
 - 1 Payroll Administrator
 - 1 Payroll Clerk
 - 1 Secretary
- PATCO Purchasing (9.5)
 - 1 PATCO Purchasing Agent
 - 2 Purchasing Specialists
 - 1 Purchasing Clerk
 - 1 Storeroom Supervisor
 - 4 Storeroom Clerks
 - 1 Part Time Storeroom Clerk

- PATCO Information Services (1)
 - Shared Service

Primary Supporting Technologies

- Unisys Finance, HR/Payroll, Work Orders, Maintenance Management (scheduled to be replaced by SAP enterprise resource planning system)
- Microsoft Office suite
- Incident / complaint tracking database

Key Performance Indicators and Performance Targets

- No key performance indicators presently exist for the Office of the General Manager.
- No documented service level agreements for the administrative support functions indirectly supervised by the General Manager appear to exist.

Transit Services Department

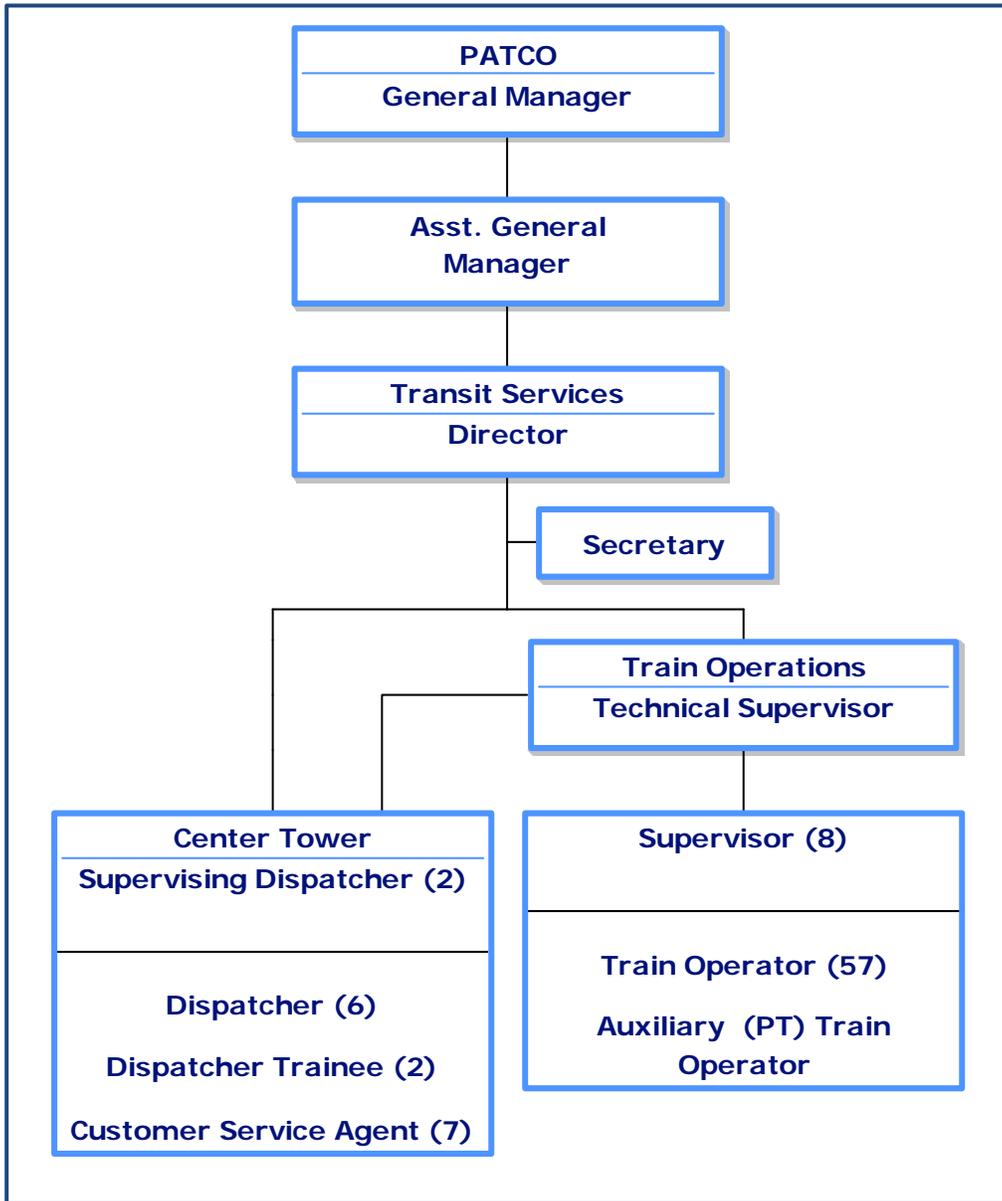
Transit Services is one of the primary customer-facing units of PATCO and is responsible for the planning, scheduling and operations of all aspects of the rail system service including both equipment and personnel. Transit Services personnel forecast demand to design schedules, train and certify Train Operators and Dispatchers and coordinate with Way and Power to schedule and allocate track for maintenance and repair in a manner that balances schedule requirements, safety concerns and the completion of capital projects. PATCO trains run 24 hours a day 7 days a week with train lengths ranging from 2-6 cars depending on rider volume. Transit Services is also directly responsible for the PATCO customer service function.

Organizational Structure

The current organizational structure of the Transit Services Department is shown on the top of the following page. Notable aspects of the structure include:

- The Transit Services Director reports directly to the Assistant General Manager and is supported by one administrative support staff member (Secretary).
- A Technical Supervisor serves as the effective second-in-charge of the department, with direct oversight of all train operations, traffic analysis, scheduling and operator training. Indirect supervision is exercised over the functions performed in Center Tower.
- Supervisors are assigned responsibility for the management of an assigned operations shift, either in the Lindenwold yard or on the main line, and for the training, supervision and evaluation of Operators.
- Similarly, Train Operators may be assigned mainline duties or to yard operations.
- A Supervisor serves in the role of Traffic Analyst and scheduler.

Transit Services



- Customer Service Agents serve as the primary intake point for customer requests for information, ticket issues, complaints and general problem solving.
- Temporary workers assigned to Center Tower are responsible for social media-based public information and communication between the hours of 6:00 AM to 7:00 PM, Monday through Friday.

Average span of control in Transit Services is 5.5 personnel per supervisory / managerial staff member. The Director's immediate span of control is four, including the Technical Supervisor, two Supervising Dispatchers and a Secretary.

Authorized Staffing

Total authorized strength for Transit Services is 85 personnel, as follows:

- 1 Transit Services Director
- 1 Technical Supervisor
- 2 Supervising Dispatchers
- 6 Dispatchers
- 2 Dispatcher Trainees
- 7 Customer Service Agents
- 8 Transit Supervisors
- 57 Train Operators
- 1 Part Time Train Operator.

Primary Supporting Technologies

- Trapeze scheduling software (licensed but not utilized pending implementation training)
- System Control and Data Acquisition (SCADA)
- Cubic Transportation Systems fare collection system
- Microsoft Excel

Key Performance Indicators and Performance Targets

- Customer Service Calls Processed (Target: N/A)
- Complaints: Train Operator (Target: N/A)
- Complaints: Customer Service Agents (Target: N/A)
- Overall On-Time Performance (Target: 98%)
- Average Weekday Ridership (Target: 36,487)
- Average Saturday Ridership (Target: 14,772)
- Average Sunday Ridership (Target: 9,432)
- Total Monthly Riders (Target: 865,111)
- Car Miles: Revenue Service (Target: N/A)

- Car Miles: Non Revenue Service (Target: N/A)
- Total Car Miles (Target: 414,874)

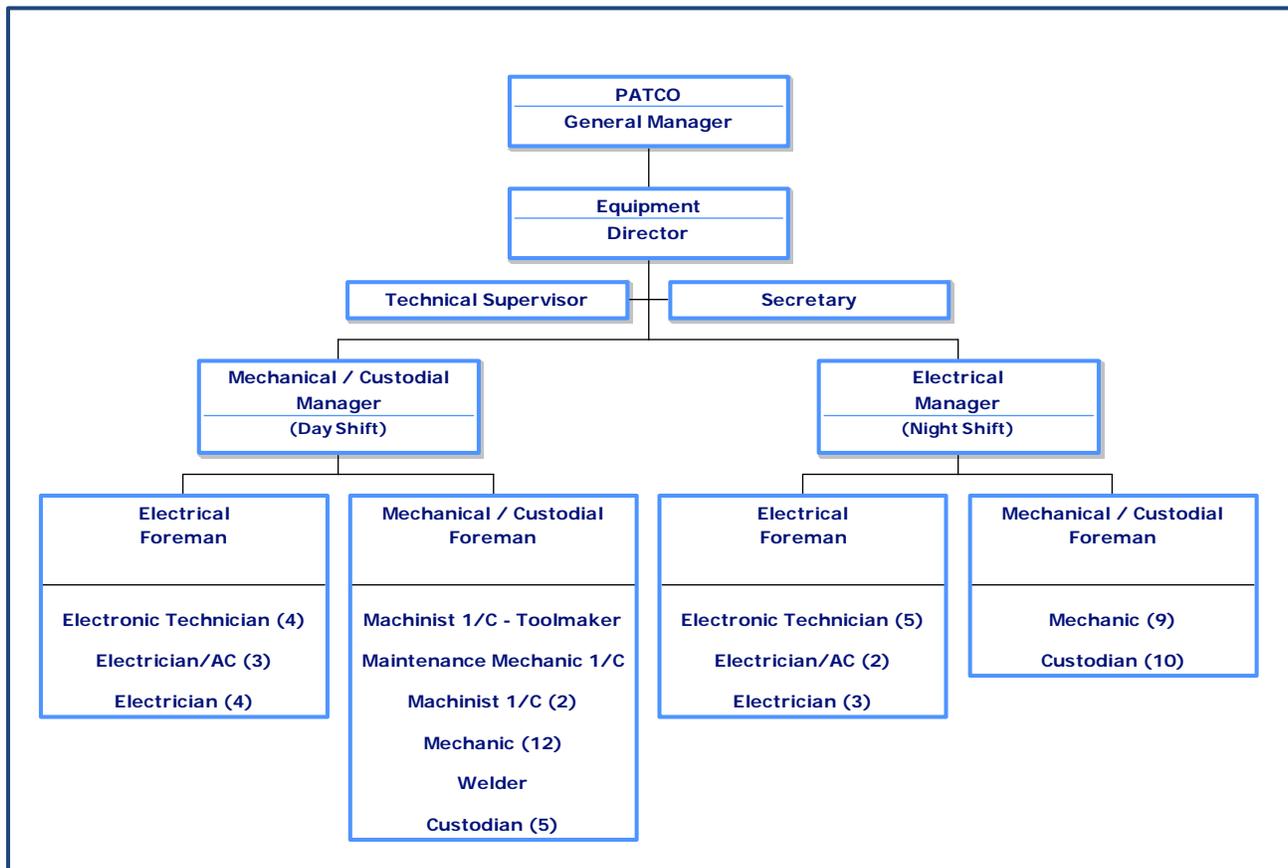
Equipment Department

The Equipment department is responsible for maintaining all the PATCO rail cars. The maintenance is a result of scheduled preventive maintenance, inspection findings, or incidents reported to the operators in Center Tower. PATCO Equipment associates perform maintenance with a work order and tie it to general labor codes. The mechanical/custodial area has responsibility for car maintenance and cleanliness. A current critical responsibility of the Equipment Department is the management of the Alstom railcar rehabilitation contract and the phased testing and deployment of refurbished cars.

Organizational Structure

The chart below depicts the current organizational structure for the PATCO Equipment Department.

Equipment Department



Primary features of the Equipment organizational structure include:

- One Technical Supervisor reporting directly to the Equipment Director.
- Day and night shifts are each staffed by a Manager-level position.
 - Day shift tasks focus on the mechanical maintenance and repair of equipment, along with the machining of parts and the cleaning of rail cars and the shop facility.
 - Night shift tasks concentrate on both electrical and mechanical maintenance and repair as well as interior and exterior cleaning of rail cars.

Average managerial / supervisory span of control within Equipment is ten non-supervisory personnel per manager or supervisor. Spans of control for the Foremen in Equipment, however, range from a low of 10 on the night electrical crew to as high as 22 on the day mechanical / custodial shift.

Authorized Staffing

A total of 74 authorized positions are indicated on the current organization chart, as follows:

- 1 Equipment Director
- 1 Technical Supervisor
- 1 Mechanical / Custodial Manager
- 1 Electrical Manager
- 2 Mechanical / Custodial Foremen
- 2 Electrical Foremen
- 11 Electronic Technicians
- 4 A/C Electricians
- 7 Electrician
- 1 Machinist 1st Class / Toolmaker
- 2 Machinists 1st Class
- 1 Maintenance Mechanic 1st Class
- 1 Welder
- 21 Mechanics
- 16 Custodians
- 1 Secretary

Supporting Technology

- Unisys Work Order Management (to be replaced by SAP enterprise resource planning system)
- AutoCAD
- Microsoft Office suite.

Key Performance Indicators and Performance Targets

- AM Load Line Cars Requirement Achieved (Target: 78)
- PM Load Line Cars Requirement Achieved (Target: 78)
- Average Monthly Number of Cars Available (Target: 78)
- Truck Program Performance vs. Schedule (Target: 4)
- Number of Cars Deep Cleaned (Target: 32 per month)
- Cars Washed (Target: 162 per month)
- Mileage Inspections Completed On-Time (Target 100%)

Way and Power Department

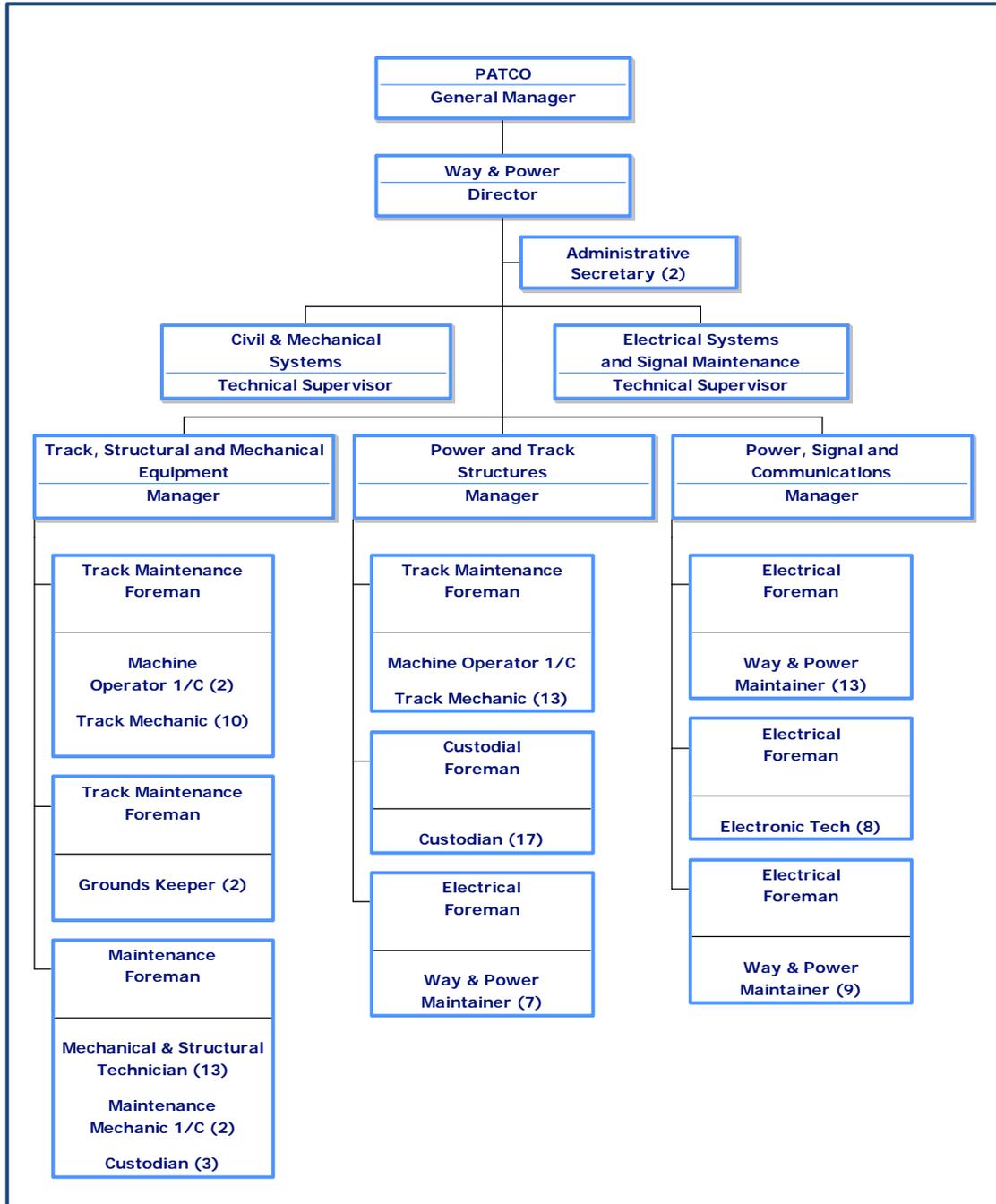
The Way and Power Department has primary responsibility for “maintenance of way,” keeping the PATCO track and facilities in good repair, signals and switches operable and power available. Way and Power personnel perform scheduled inspections on the mainline and yard track and rail structures consistent with applicable regulations and standards of the Federal Railroad Administration, document deficiencies in need of repair, initiate emergency repairs as required and perform scheduled preventive maintenance. Other responsibilities of Way and Power include the inspection, maintenance and repair of PATCO facilities including stations, pump rooms, nodes, administrative structures and shop buildings. Automotive, custodial and grounds maintenance responsibilities are also assigned to this Department.

Organizational Structure

The current organizational structure for Way and Power is shown the following page. Principal features of the Way and Power organizational model include:

- Two Technical Supervisors providing expert engineering and technical supervision and oversight of PATCO’s mechanical and civil systems and the electrical and signal systems, respectively.
- Three Managers responsible for Track, Structural and Mechanical Equipment; Power, Power and Track Structures and Transit Signaling and Communications.
- Specific crew responsibilities under each of these managers are as listed below:

Way & Power Department



- Track, Structural and Mechanical Equipment
 - Track Maintenance
 - Grounds Maintenance

- Mechanical and Structural Maintenance
 - Power and Track Structures
- Track Maintenance
- Station Cleaning / Custodial
- Power and Signals
- Power, Transit Signaling and Communications
 - Signal Maintenance
 - Communications System Maintenance
 - Substation and HVAC Maintenance

The Way and Power Director has an immediate span of control of seven directly reporting subordinates and each of the Managers in the department have a span of control of three Foremen. Average managerial / supervisory span of control within Way and Power is eight non-supervisory personnel per manager or supervisor. However, spans of control for the nine Foreman positions range from two (Grounds Keeping) to 18 (Mechanical and Structural), with an average per Foreman of 11.

Authorized Staffing

117 positions are authorized for Way and Power, as follows:

- 1 Way and Power Director
- 2 Technical Supervisor
- 1 Track, Structural and Mechanical Equipment Manager
- 1 Power, Signal, Communications, Station Cleaning and Track Structures Manager
- 1 Power, Signal and Communications Manager
- 3 Track Foremen
- 4 Electrical Foremen
- 1 Custodial Foreman
- 1 Maintenance Foreman
- 3 Machine Operators 1st Class
- 23 Track Mechanics
- 2 Maintenance Mechanics 1st Class
- 13 Mechanical and Structural Technicians

- 29 Way and Power Maintainers
- 8 Electronic Technicians
- 20 Custodians
- 2 Grounds Keepers
- 2 Administrative Secretaries

Supporting Technology

- Microsoft Office Suite
- MOWIS track inspection and defects database
- UNISYS Work Order and Maintenance Management (to be replaced by SAP enterprise resource planning system)

Key Performance Indicators and Performance Targets

- Budgeted Electricity vs. Actual Expense (Target: \$445,884.95)
- Monthly percentage of escalators operational (Target: 90%)
- Monthly percentage of elevators operational (Target: 97%)
- Escalators (up time)
 - Lindenwold (Target: 90%)
 - Ashland (Target: 90 %)
 - Woodcrest E/B (Target: 90%)
 - Woodcrest W/B (Target: 90%)
 - Haddonfield (Target: 90%)
 - Westmont (Target: 90%)
 - Collingswood (Target: 90%)
 - Ferry Ave (Target: 90 %)
 - Broadway East (Target: 90%)
 - Broadway West (Target: 90%)
 - 8th and Market North (Target: 90%)
 - 8th and Market South (Target: 90%)
 - 13th and Locust (Target: 90%)
 - 16th and Locust (Target: 90%)

- Elevators (up time)
 - Lindenwold (Target: 97%)
 - Woodcrest E/B (Target: 97%)
 - Woodcrest W/B (Target: 97%)
 - Ferry Ave (Target: 97%)
 - Broadway East (Target: 97%)
 - Broadway West (Target: 97%)
 - 8th and Market North (Target: 97%)
 - 8th and Market South (Target: 97%)
 - 9th and Locust Street (Target: 97%)
 - 9th and Locust Platform (Target: 97%)
 - 16th and Locust (Target: 97%)

Passenger Services and Fare Collection Department

The Passenger Services and Fare Collection unit is assigned responsibility for the maintenance and servicing of ticket vending machines and fare gates at all PATCO stations; collection, counting and auditing of fares and parking receipts for both PATCO and DRPA and the management of the company's contract with the Dunbar armored car service. This Department also schedules and manages the Station Supervisors and oversees outsourced service contracts for the sale of Freedom Card fare cards and part-time station supervisors known as Transit Ambassadors.

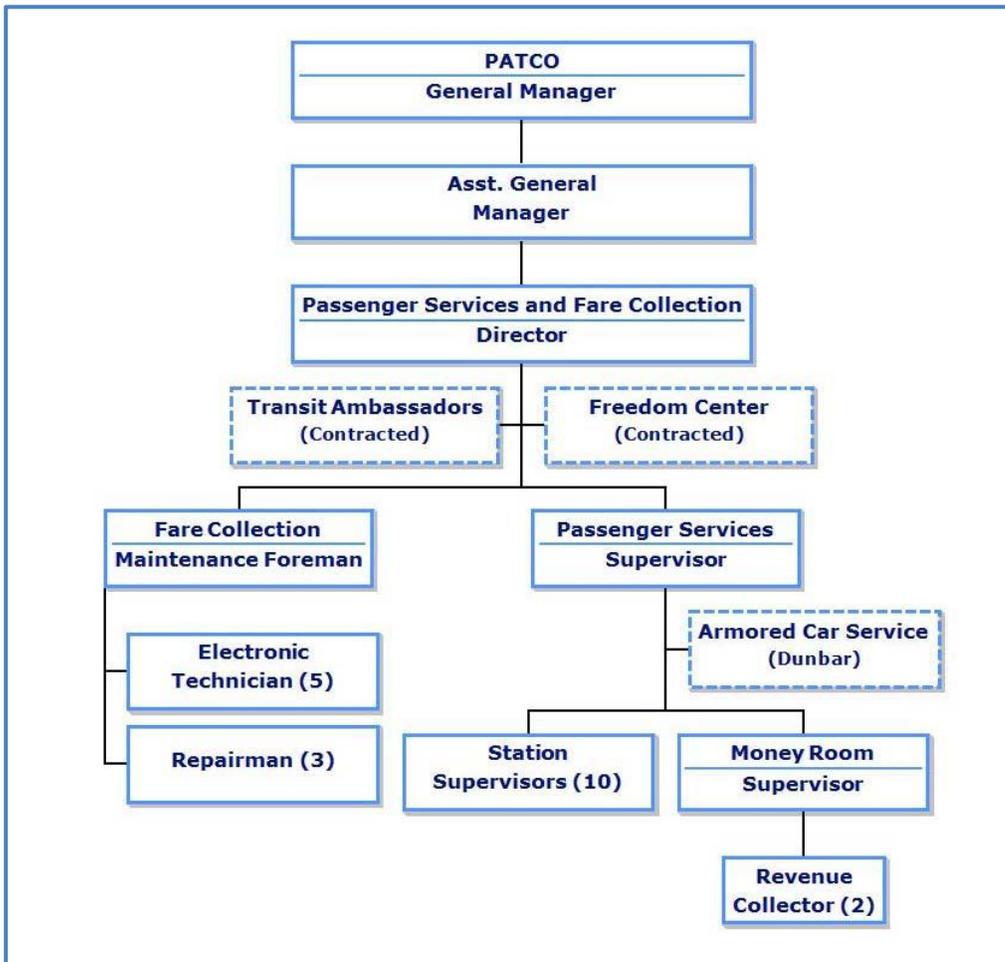
Organizational Structure

The current structure of the Passenger Services and Fare Collection department is shown on the following page.

There are four primary functions included within Passenger Services and Fare Collection:

- Managerial oversight of the fare collection program including fare accounting, reporting and auditing and the executive management of the fare collection system, upgrades, vendor relationships, etc.
- Fare Collection Maintenance, focused on the installation, maintenance and repair of automated ticket vending machine and fare gates.
- Passenger Services, including the assignment and supervision of Station Supervisors assigned direct passenger support and ensuring the maintenance and cleanliness of PATCO stations.

Passenger Services and Fare Collection Department



- Money Room operations, organized within Passenger Services and including the collection and replenishment of ticket vending machine (“TVM”) cash through a contracted armored car service, the counting of daily receipts, the reloading of cash and coin handling units and the preparation of daily cash deposits and reports.
- Fare card sales and related customer service and support is provided through a contracted call center and part time Transit Ambassadors are contracted through a temporary personnel service to serve as off-peak station personnel.

The Passenger Services and Fare Collection Director has a span of control of two directly reporting PATCO staff as well as the direct responsibility for the supervision of two contracted service providers. Average supervisory span of control within the department is 4 personnel per manager/supervisor.

Authorized Staffing

A total of 24 positions are allocated to Passenger Services and Fare Collection as follows:

- 1 Fare Collection Director
- 1 Fare Collection Maintenance Foreman
- 5 Electronic Technicians
- 3 Fare Collection Repairman
- 1 Passenger Services Supervisor
- 10 Station Supervisors
- 1 Money Room Supervisor
- 2 Revenue Collectors.

Primary Supporting Technologies

- Cubic Transportation Systems fare collection software and hardware.
- Microsoft Excel.

Key Performance Indicators and Performance Targets

- Parking – Free (Target: N/A)
- Parking – Paid (Target: N/A)
- Parking Lot Total (Target: N/A)
- Free Parking Lot Utilization (Target: 7,693)
- Paid Parking Lot Utilization (Target: 5,013)
- Overall Parking Lot Utilization (Target: 12,706)

System Safety Department

System Safety is responsible for safety training, contractor safety inspections, reviewing Health and Safety plans, drug and alcohol compliance, insurance reviews and administration. They are also responsible for the development, updating and implementation of PATCO's System Safety Program Plan (SSSP), assessing PATCO compliance with the SSSP, tracking all visitors on company property and tracking and reporting safety-related incidents. The Safety Manager organizes and chairs regular meetings of PATCO's Safety Coordinating Committee.

Organizational Structure

The System Safety Manager has a small staff of support and professional / technical personnel as shown in the chart on the next page. The System Safety Manager's span of control is 3 direct reports.

System Safety Department



Authorized Staffing

- 1 System Safety Manager
- 2 Safety Specialists
- 1 Administrative Assistant

Supporting Technology

- Microsoft Office Suite

Key Performance Indicators and Performance Targets

- No key performance indicators or performance targets for Safety Services were noted in the published 2014 report.

DRPA Citizen’s Advisory Committee

DRPA Board Resolution 10-093 established a Citizen’s Advisory Committee (CAC) of not more than 20 members, with membership equally divided between residents of New Jersey and Pennsylvania. The role of the CAC is to provide an independent customer perspective to the Board on topics of current concern.

At the initiative of the Acting Inspector General, TTM was invited to appear at the June 17, 2015 CAC meeting to update the members on status of the PATCO management audit and to hear their comments and suggestions on improvements to PATCO services. Using the “plus / delta” focus group, technique, CAC members were asked to describe those aspects of PATCO that they felt

where the most positive (“pluses”) and then to list those aspects of PATCO and its services they felt could benefit from positive change (“deltas”). They were then asked to list and rank order specific suggestions for improvement. Appendix C includes the detailed results of the plus/delta exercise.

In summary, the CAC members and - by extension - PATCO riders:

- Are generally satisfied and pleased with the service provided by PATCO and compare it very favorably against SEPTA and NJ Transit
- Have very positive interactions with PATCO staff
- Have seen an encouraging trend of improvement in recent months, for which they give credit to DRPA and PATCO leadership
- Want more of what PATCO is now providing:
 - More trains / more frequent service, especially at peak times and for special events
 - More Transit Ambassadors
 - More security at stations and onboard the trains
 - More station improvements (ADA accessibility, retail services, cleanliness/comfort)
 - More access to information (electronic message boards, website, smartphone apps, etc.)
 - More transit oriented development
- Want less of a few things:
 - Schedule disruptions
 - Missed deadlines (like the new car roll-out)
 - Deferral of maintenance (elevators / escalators, bridge repairs)

The top improvement suggestions, as ranked by the CAC members, included:

1. Provide real time, graphical train status information on electronic sign boards and online, especially signage outside of the gates.
2. Provide discounts for frequent riders (a “loyalty program”).
3. Maintain the right stakeholders at the Board level.
4. Make GTFS (General Transit Feed Specification) data available to application developers.
5. Provide more weekend service to support special events such as sporting events, concerts, etc. (Tie)

5. Develop a system of “dynamic scheduling” to allow the service to expand and contract in response to known events creating peak passenger demand. (Tie)
5. Provide ADA compliant accessibility in all PATCO stations. (Tie)
5. Provide WiFi and cellular service in PATCO cars and stations. (Tie)

Review of Prior Management Audits

Under the Governing Documents of the DRPA, including the Compact and various reform resolutions, the regular performance of independent management audits is mandated. As a part of the scope of the PATCO management audit, the TransTech team reviewed the PATCO-related recommendations of the two most recent management audits, including:

- The 2012 Yellow Book Management Audit, prepared by CGR Management Consultants and issued on January 14, 2013. This audit covered the administrative and support functions of the DRPA as well as the departments of Public Safety and Homeland Security/Emergency Management
- The 2010 DRPA Management Audit prepared by TransTech Management, Inc. and issued in July of 2010. This audit was a comprehensive assessment of the overall effectiveness of both DRPA and PATCO.

The table beginning on the following page summarizes the findings of the TTM team with regard to the current implementation status of those recommendations included in the above-listed reports that directly touched on PATCO. For each recommendation the table shows:

- The source of the recommendation in terms of both the responsible consultant and the numerical designation of the recommendation. “TTM” denotes PATCO-related recommendations from the 2010 audit report by TransTech Management, while “CGR” references the 2012 audit report prepared by CGR Management Consultants.
- The recommendations as they appeared in the final audit reports.
- TransTech Management’s assessment of the current status of each recommendation, based on discussion with DRPA and PATCO staff, along with our independent observations.
- Brief commentary on the basis of the current status assessment.

Source	Recommendation	Current Status	Comments
<p>TTM CC-2</p>	<p>DRPA staff members and/or outside resources should be identified that will assist in developing a strategic plan for the DRPA and its operating divisions.</p>	<p>In progress</p>	<p>A Department of Strategic Initiatives has been established and staffed and the Board has approved the launch of a comprehensive strategic planning process, including potential consulting support. It is anticipated that PATCO will be fully included and involved in this process as will all other operating units of the Authority.</p>
<p>TTM EN-3</p>	<p>Develop an asset management plan, Establish a core team to begin to address DRPA's approach to asset management.</p>	<p>In progress</p>	<p>PATCO, in partnership with the Delaware Valley Regional Planning Commission, is actively involved in the development of a Transit Asset Management Plan. Utilization of new enterprise resource planning software as a tracking and reporting tool will be an important aspect of this program.</p>
<p>TTM HR-1</p>	<p>Substantially reduce the average elapsed time between an initial hiring request and an offer of employment.</p>	<p>In progress</p>	<p>The length of time required to fill vacant positions remains a persistent concern for PATCO managers. Human Resources Services continues to work to accelerate processes where possible, has implemented new technology tools and regularly reviews potential impediments to recruitment success including, for example, excessively restrictive qualification requirements, inadequate salary levels, lack of targeted recruitment. Even so, PATCO managers understand that they share a burden in ensuring the efficient and timely filling of vacancies in terms of completing their assigned roles in the process in a timely and complete manner.</p>
<p>TTM HR-4</p>	<p>Conduct a thorough review of the pay differential between the first line supervisors and represented employees to ensure that an appropriate gap exists.</p>	<p>In progress</p>	<p>Pay compression is a persistent issue for PATCO and has been mentioned in multiple prior audits and reviews. The current TTM analysis validates this as a continuing concern. DRPA has engaged an independent consulting firm to complete a comprehensive analysis and update of the DRPA / PATCO compensation structure to ensure both market competitiveness and internal equity.</p>

Source	Recommendation	Current Status	Comments
TTM <i>HR-6</i>	Initiate formal and concentrated efforts to develop and maintain staff and succession plans.	Not implemented	With approximately 35% of the PATCO workforce currently eligible for retirement, effective planning for succession is a high priority need.
TTM <i>IT-2</i>	Produce and adapt asset management systems. Streamline workforce schedule and time-reporting systems. Improve user knowledge of technology assets. Have IS provide applications training for users.	In progress	The ongoing enterprise resource planning implementation directly addresses these and other technology-related needs of PATCO. Thorough training will be critical to the success of the implementation.
TTM <i>OM-1</i>	Formalize all policies and decisions relative to the organizational and operational relationship between DRPA and PATCO	In progress / ongoing	While a formal written set of policies comprehensively defining and documenting the respective organizational and operational roles of DRPA and PATCO is not available, the current CEO of the DRPA is leading a long-term process of organizational and cultural transformation of the DRPA. This includes the full integration of PATCO as a mission-critical aspect of the Authority's service portfolio.
TTM <i>OM-2</i>	Ensure that all units have at least the minimum staff and skill sets necessary to fully meet their responsibilities.	Not implemented	PATCO managers and supervisors consistently report a need for increased staffing, citing the age of the system, changing regulatory requirements and the difficulty in recruitment of qualified staff. However, they have not consistently prepared analytical support for their staffing needs and are reluctant to request significant staffing adjustments in light of resource scarcity. It is hoped that better data on workload demands and resource utilization provided by new software systems will assist in building the analytical case for more personnel.

Source	Recommendation	Current Status	Comments
<p>TTM <i>PA-1</i></p>	<p>Assess the role and impact of PATCO and develop a clear statement of policy and purpose</p>	<p>In progress / ongoing</p>	<p>PATCO is increasingly integrated into the organizational fabric and function of DRPA. The PATCO Strategic Plan articulates the vision and mission of PATCO and those statements have been recently updated to directly align with those of the DRPA. Going forward, the DRPA strategic plan should, and will, address the role and purpose within the broadest context of Authority's regional priorities and funding capacity / capability. The Delaware Valley Regional Planning Commission is currently conducting an evaluation of PATCO's economic impact on the greater Philadelphia area.</p>
<p>TTM <i>PA-1</i></p>	<p>Make appropriate investments in PATCO to the identified policies and purpose.</p>	<p>In progress / ongoing</p>	<p>There have been prior analyses on potential PATCO light rail expansion opportunities, including the Glassboro Camden line and the Delaware River Waterfront Project, neither of which have yet been funded. The current capital improvement program for PATCO includes design funding for the potential reopening of Franklin Square station. DRPA is now in the early stages of a significant upgrade to its strategic planning process with the intent of better aligning, integrating and unifying all aspects of the Authority's operations within a common strategic framework. At the same time, significant budgetary resources continue to be directed towards PATCO to support its current / core priorities, including investments in infrastructure improvements, new facilities, refurbished rail cars, new and upgraded technologies, social media support, needed salary adjustments, etc. As this process of conscious, deliberate integration of PATCO continues, attaching appropriate priorities to strategic investments will be important.</p>

Source	Recommendation	Current Status	Comments
<p>TTM <i>PA-2</i></p>	<p>Determine the appropriate “effectiveness” objective for PATCO</p>	<p>In progress</p>	<p>The primary effectiveness goals for PATCO within the overall purpose and mission of the DRPA are generally well understood. PATCO’s strategic value proposition rests on the need to dampen traffic congestion, to relieve vehicular traffic across the four DRPA bridges, to reduce carbon emissions and thereby support improved air quality and to provide a safe and economical transportation alternative to the public.</p>
<p>TTM <i>PA-2</i></p>	<p>Produce an action plan and provide necessary resources to achieve performance goals</p>	<p>In progress</p>	<p>The current PATCO strategic plan, developed in 2013, identifies a total of nine strategic goals and 47 discrete objectives, all within a framework of core values. The goals and objectives address areas of both service efficiency and effectiveness and are also both internally and externally focused. These strategic goals and objectives are supported by a set of key performance indicators. The key performance indicators, however, are more closely linked to the organizational structure of PATCO than directly tied to the realization of strategic goals; additionally, no strong strategic management system is presently in place. This represents an opportunity for future improvement, consistent with the intent of the prior audit recommendation.</p>

Source	Recommendation	Current Status	Comments
<p>TTM PA-3</p>	<p>PATCO should conduct a system-wide, broad-based needs assessment</p>	<p>Partially implemented / in progress</p>	<p>The comprehensive, system-wide needs assessment anticipated by this recommendation was estimated to require consulting support in the range of \$100,000 - \$150,000 and has not been undertaken. The areas of concern cited in the prior audit included physical plant, rolling stock, management structure and skill sets, information technology needs, transit oriented development and marketing / ridership development. Despite significant past and ongoing investments in these areas, including the car rehabilitation project, the Ben Franklin Bridge track improvement and other capital improvement projects, the acquisition and implementation of industry-leading enterprise resource planning (“ERP”) software by SAP, the construction of the equipment annex, improvements in the stations, etc., concerns remain in several areas cited in the 2010 TTM report.</p>
<p>TTM PA-3</p>	<p>PATCO should address constraints identified by the needs assessment</p>	<p>Not implemented</p>	<p>No formal needs assessment as contemplated by this recommendation has been undertaken. PATCO and DRPA are aware of many of the needs identified in the 2010 audit report and are making incremental progress as funding availability permits, including the improvements noted above. However, the comprehensive needs assessment contemplated by this recommendation has been conducted.</p>

Source	Recommendation	Current Status	Comments
<p>TTM PA-3</p>	<p>PATCO should initiate a marketing effort, funded at 2% of its operating budget, aimed at increasing ridership, especially off-peak hours and aimed at reverse commuters</p>	<p>Not implemented</p>	<p>PATCO management agreed with this recommendation in principle; and, more specifically, agreed that efforts to increase ridership were necessary. However, the allocation of the estimated cost of \$900,000 (at the time) to fund a marketing program was deemed unaffordable during a period of budget constraints. This recommendation was characterized as a longer term objective to strive towards. A review of the current PATCO strategic plan shows that increasing ridership is not explicitly listed as a strategic goal or objective. Published key performance indicators do set numerical ridership targets but do not establish a target for the growth of ridership.</p>
<p>TTM PA-4</p>	<p>Establish professional development programs for PATCO managers, with financial support</p>	<p>Not implemented</p>	<p>The provision of professional and leadership development opportunities for PATCO managers and supervisors remains a pressing need.</p>
<p>TTM PA-4</p>	<p>Conduct “peer reviews” with counterpart managers from other systems visiting PATCO and making recommendations for its continued improvement.</p> <p>Send teams of PATCO – and DRPA – personnel to other transit systems to observe their practices and adapt them to PATCO</p> <p>Expand PATCO’s participation in industry panels that deal with topical issues in rail system management</p>	<p>Partially implemented</p>	<p>These three recommendations, while accepted as valuable by DRPA / PATCO, have not been formally adopted and institutionalized to the extent envisioned by the TTM team at the time. While there is interaction between and PATCO leaders and their counterparts at other transit properties, these appear to be more opportunistic and individualized than they are strategic and comprehensive. These are reported to have included interagency groups in the car maintenance and fare collection areas, as well as occasional participation in APTA events.</p> <p>Reasons cited for the lack of full implementation of these recommendations relate to the lack of available funding, constraints on incurring travel expenses and staffing shortages / unfilled positions making it difficult to release staff for participation.</p> <p>PATCO has had success in a collaborative contractual relationship with SEPTA for the maintenance of elevators and escalators.</p>

Source	Recommendation	Current Status	Comments
TTM PA-4	Ensure FTA compliance with respect to reporting relationship between PATCO management and the PATCO- related public safety personnel	Complete	Officers of the DRPA Department of Public Safety provide security and a police presence on board PATCO trains and in PATCO stations. The DRPA CEO has the final executive level authority to direct the security activities on the PATCO system
TTM PA-4	Provide PATCO with onsite human resource personnel support if warranted by further study and evaluation	Complete	This issue was reviewed by responsible PATCO and DRPA officials and a determination was made not to provide full-time Human Resources staffing on-site in Lindenwold.
TTM PA-5	Review facilities layout and provide plan to address deficiencies. Implement facilities improvement plan.	Partially implemented	The adequacy of PATCO facilities remains a point of concern. The annex building and shop are new additions, but space is still at a premium, especially during the duration of the rail car rehabilitation project, while distinct parts inventories must be stored and managed. Space for the storage of automotive parts inventory, tires, etc. is also quite limited. Existing administrative offices and training spaces are cramped and inefficient. PATCO is currently working on a space plan for the PATCO finance office.
TTM PA-6	Identify and develop requirements for new PATCO management systems Release systems RFP Implement new management systems	Substantially complete	DRPA is currently nearing the finalization of a large scale implementation of integrated enterprise resource planning software from SAP. Requirements have been developed, an RFP released, a vendor and implementation partner selected and the implementation is underway. Functionality includes general ledger and accounting, purchasing, human resources, payroll, asset and maintenance management. The implementation of the SAP software will replace disparate and redundant systems at both PATCO and DRPA, will provide significant improvements in functionality, business process / workflow automation and enhanced reporting and analytical capabilities. "Go live" is slated for early 2016.

Source	Recommendation	Current Status	Comments
<p>TTM PA-7</p>	<p>Analyze pricing, capabilities and projected payback period for available train staffing and scheduling software</p>	<p>Partially implemented</p>	<p>Transit Services has licensed industry-leading transit scheduling software from Trapeze. However, that system is not yet implemented and scheduling is still performed using basic spreadsheet tools. PATCO reports difficulty in configuring the software to its particular needs and requirements.</p>
<p>TTM PA-8</p>	<p>Develop a holistic system of operating and financial performance measures</p>	<p>In progress</p>	<p>PATCO has developed a set of key performance metrics for each of its operating departments as a part of its internal strategic planning effort. These measures are tracked and reported on a monthly basis.</p> <p>However, the alignment of these KPI's to the specific goals and objectives articulated in the PATCO strategic plan is less clear. The measures are aligned to the PATCO departmental structure and not to the nine strategic goals / 47 strategic objectives. No safety measures or targets are reported, nor are their general administrative / financial performance measures included.</p> <p>As DRPA moves forward with its anticipated enterprise strategy development project, the creation of a balanced set of performance indicators, useful for the support of daily management decisions and supported by executive dashboards through the new SAP enterprise resource planning software system, should be strongly considered.</p>

Source	Recommendation	Current Status	Comments
<p>TTM PA-9</p>	<p>Review overtime causes and staffing levels</p>	<p>Complete</p>	<p>PATCO understands the sources and causes of its overtime expenditures. These are varied across the organization, but often include the need to cover for employees out on long term disability; to cover for vacancies created through retirement, resignation or termination; to support capital projects; to compensate shortages in authorized staffing and for occasional and routine peak workload / project requirements.</p> <p>While overtime costs cannot be wholly eliminated, opportunities to better manage this cost are evident at PATCO. These include finding alternative approaches to the staffing of capital project support, modifying shift arrangements, more aggressive enforcement of disability leave policies, accelerated filling of vacancies and, potentially, increases in the authorized headcount.</p>
<p>TTM PA-10</p>	<p>Review the need to rebuild the entire fleet at one time</p>	<p>Complete</p>	<p>Since the time of the TTM 2010 audit the determination was made to proceed with the rail car rehabilitation project. The entire fleet is currently in the process of being upgraded and overhauled and new cars are being placed in service at a steady pace over an approximate two year period.</p>
<p>TTM PA-11</p>	<p>Continue to assess the advisability / efficiency of suspending services for maintenance or construction projects</p> <p>Actively engage and encourage contractors to provide bid alternatives that reflect both open and closed system operations to assess whether potential contractor savings warrant PATCO incurring such costs</p>	<p>Complete</p>	<p>DRPA Engineering and PATCO actively collaborate on the scheduling of capital projects and required maintenance. Additionally, PATCO has recently implemented a structured process for track allocation with the intent of finding the optimal balance between the operation of the published service schedules and the need for preventive maintenance.</p> <p>For the Ben Franklin Bridge project, now nearing completion, alternative bids for both open and closed system operations were considered.</p>

Source	Recommendation	Current Status	Comments
<p>TTM <i>PA-12</i></p>	<p>Complete SOP update effort Develop, adopt and document a uniform SOP update process.</p>	<p>In progress</p>	<p>This is a continuing challenge for PATCO. The Transit Services Department reviews and updates its standard operating procedures regularly. Other departments update procedures as needed. As a result, there is wide variations among PATCO departments in terms of the currency, content, format, etc. of policy and procedures documentation.</p>
<p>CGR <i>FN-2</i></p>	<p>Clarify, revise, and document policies for DRPA and PATCO cost sharing, payroll policies regarding time entry, use of project codes, and employee benefits, as well as policies for Revenue Audit E-Z Pass and special request processing.</p>	<p>In progress</p>	<p>This recommendation will be largely addressed through the implementation of SAP enterprise resource planning software. DRPA and PATCO will be sharing a common system platform and financial management, human resources, payroll, purchasing and other transaction processes and coding will be standardized.</p>
<p>CGR <i>FN-4</i></p>	<p>Pursue purchase-to-pay, inventory management, time recording, and accounting software and take any interim, cost-effective steps to improve access to information and eliminate duplicate data entry.</p>	<p>In progress</p>	<p>The implementation of the above described SAP enterprise resource planning software should substantially address this recommendation.</p>
<p>CGR <i>FN-5</i></p>	<p>[Purchasing] Approval levels should be raised, in multiple steps if necessary, as the Board feels the Authority is becoming more transparent, efficient, and accountable.</p>	<p>Not implemented</p>	<p>While the CGR report did not specifically recommend new dollar thresholds, this recommendation is similar to that included in this report.</p>

Source	Recommendation	Current Status	Comments
CGR <i>COM-1</i>	The Corporate Communications Department should be given clear responsibility and authority for developing and defending the DRPA’s brands and image. This should include brand management and the oversight of all external and internal communications, including: DRPA and PATCO brand management, published document formats, websites, intranet and social media. Corporate Communications should set standards for brand management and document formats and be responsible for assuring consistency across the Authority.	Partially implemented / in progress	Corporate Communications has the requisite authority and responsibility in this area. However, PATCO and DRPA continue to operate with separate brand identities including printed materials, web presence and social media. The DRPA brand now incorporates the core values of Stewardship, Service and Community and, with the recent employment of a new Corporate Communications Director, efforts are underway to align the distinct PATCO identity and brand management within a more unified structure.
CGR <i>GR-3</i>	Develop and implement government funding tracking to show the grants applied for, received and expended by project by quarter. Set annual targets for government funding of the DRPA and PATCO projects.	In progress	This recommendation will be effectively addressed through the implementation of new financial management systems and procedures.
CGR <i>HRS-3</i>	Through Compensation Committee sponsorship, review the pay differential between first line supervisors and represented employees. Consider the findings from the compensation survey reported in this report and other data. Assess risks arising from compensation compression and create or adjust policies accordingly.	In progress	Pay compression is a persistent issue for PATCO that has been mentioned in multiple prior audits and reviews. The current TTM analysis validates this as a continuing concern. DRPA has engaged an independent consulting firm to complete a comprehensive analysis and update of the DRPA / PATCO compensation structure to ensure both market competitiveness and internal equity.

Appropriate findings and recommendations regarding the review of the prior management audit results are included in Section VII of this report.

The next section of the Final Report provides a summary of the audit team’s preliminary assessment of PATCO’s organization and operations as detailed in the previously submitted Interim Report.

IV. PRELIMINARY ASSESSMENT SUMMARY

As an important part of the management audit process, the TransTech audit team prepared, reviewed and revised an Interim Report at approximately the midpoint of the assignment. The purpose of the Interim Report was to document and verify the consulting team's understanding of the current state of the PATCO organization and operations and to deliver a preliminary assessment of the organization's efficiency and effectiveness, consistent with the scope and purpose of the management audit. The Interim Report also included potential concepts for improvement to address the opportunities identified by the preliminary assessment. This section of the Final Report provides a high-level summary of the results of that early assessment.

By definition, the preliminary assessment findings and improvement concepts were tentative in nature and subject to change based on feedback and corrections received following review by appropriate PATCO staff. Observations included in the assessment were based on the results of our interviews, background data collection and review, and the TransTech team's observation of PATCO operations, processes, and management practices, and additional clarifying discussions with appropriate DRPA and PATCO personnel. TransTech provided the Interim Report to the PATCO management team, the Office of the Inspector General and the DRPA Chief Executive Officer / PATCO President. Each member of the PATCO management team then independently review their sections of the Interim Report and provided corrections, suggestions and perspective on the assessment results and potential improvement concepts.

This iterative, mid-point review process is consistent with providing the maximum amount of transparency in the audit process and allows both the audit team and the subject organization to candidly discuss key opportunities, surface potential issues and to agree on priority areas of focus for the subsequent phases of the audit. It also allowed for an early opportunity for the TTM team to identify and correct any factual errors or clarify any misunderstanding of current conditions. ***As such, the audit findings and recommendations included in this Final Report may deviate from the initial assessment observations.***

Assessment Model

The specific topical categories included in the assessment were the elements of the audit scope defined by the Port Authority:

- Organizational Structure
- Duties and Responsibilities of Management and staff
- Management authority and span of control
- Effectiveness of policies, processes and strategies

- Staffing levels
- Duplicative and/or redundant staff functions
- Operational costs and opportunities for cost reduction
- Reasonableness of salaries and benefits
- Compliance with regulations
- Review of Standard Operating Procedures
- Workflow analysis
- Cost effectiveness of administrative services performed by external vendors

The preliminary assessment is presented in a “Consumer Reports” styled format, with the management practices of each PATCO department assessed on a 4 point scale as shown below.

● = Excellent

◐ = Slight Improvement Opportunity

◑ = Improvement Opportunity

○ = Significant Improvement Opportunity

Assessment results reflect a snapshot in time and the best understanding of the audit team at the time of the delivery of the assessment based on the results of interviews, observations, and document reviews.

Assessment Summary

A table summarizing the assessment results by department, along with selected clarifying observations, is presented on the following pages. In reviewing the assessment summary below, the following should be remembered:

- The assessment process was designed and intended to uncover broad areas in which the company can strengthen its overall efficiency and effectiveness in support of the citizens of the greater Philadelphia region and the strategic aims of the DRPA as the audit team understands them from the review of relevant documents, interviews and observations.
- The assessment was not intended as a “report card” on the performance of individual departments or their managers and should not be interpreted as such. Rather, the assessment was used to support the identification of opportunities for positive change.
- The assessment results and associated improvement concepts served as a triage tool, focusing the audit team on those aspects of the PATCO organization and operations most likely to benefit from such positive changes.

Assessment Summary

ASSESSMENT TOPIC	PATCO DEPARTMENTS						SELECTED OBSERVATIONS
	PATCO Governance / General Manager	Transit Services	Passenger Services & Fare Collection	Way & Power	Equipment	System Safety	
Organizational Structure							<ul style="list-style-type: none"> The overall organizational structure of PATCO is functional. The adoption of a common enterprise software platform creates an opportunity to streamline the “back-office” functions of PATCO. Way & Power includes a wide range of functional responsibilities, not all of which directly support its core functions of maintenance of way and power. The Technical Project Manager position in the General Manager’s office appears to be under-classified.
Management Responsibilities							<ul style="list-style-type: none"> Across PATCO there appears to be an over-abundance of job titles and job descriptions. The capabilities of the Fare Collection Repairman are limited as compared to Electronic Technicians and thus limit the efficiency of the maintenance program. PATCO lacks an established Quality Assurance Quality Control function or dedicated QA staff.
Management Authority and Span of Control							<ul style="list-style-type: none"> Managerial and supervisory spans of control are generally appropriate across the organization. Some supervisors in Equipment and in Way & Power have spans of control considerably above average. Approximately one third of the PATCO staff is currently eligible to retire and no specific activity or planning for addressing the potentially looming loss of large body of talent and institutional knowledge.

ASSESSMENT TOPIC	PATCO DEPARTMENTS						SELECTED OBSERVATIONS
	PATCO Governance / General Manager	Transit Services	Passenger Services & Fare Collection	Way & Power	Equipment	System Safety	
Policies, Processes and Strategies							<ul style="list-style-type: none"> • This topic is common to all departments and was evaluated at the PATCO organizational level. • The PATCO strategic plan document is well-done and includes the typical elements of a strong strategic plan. • While the strategic plan document itself is thorough, it is less clear that it has been an effective tool in organizing the efforts and resources of the company. • Singular, by-name ownership and accountability for the accomplishment of the strategic goals specified in the plan is lacking.
Staffing Levels							<ul style="list-style-type: none"> • Many PATCO units are operating at less than fully authorized strength due to position vacancies. • Recruitment, hiring and promotion processes are excessively lengthy and burdened with cumbersome procedural requirements. • Supervisors report that some openings have required from 10 months to a year, or more, to fill. • Significant staffing resources in Way & Power are diverted from routine maintenance tasks to support capital projects.

ASSESSMENT TOPIC	PATCO DEPARTMENTS						SELECTED OBSERVATIONS
	PATCO Governance / General Manager	Transit Services	Passenger Services & Fare Collection	Way & Power	Equipment	System Safety	
Duplication / Redundancy							<ul style="list-style-type: none"> The current Unisys Finance, Human Resources, Work Order and Maintenance Management systems are scheduled for replacement and consolidation within a DRPA enterprise resources planning software implementation. Shared administrative support activities with dedicated staff resources assigned to PATCO can, after a planned transition period, be consolidated and streamlined due to the lack of a need to support separate technologies.
Operational Costs							<ul style="list-style-type: none"> PATCO does not have a developed competency model for its professional, technical and maintenance / trades staff. Represented employees are not subject to regular performance review.
Reasonableness of Compensation and Benefits							<ul style="list-style-type: none"> This topic is common to all departments and was evaluated at the PATCO organizational level. The PATCO pay structure has not been adjusted since 2010. Salary compression is a universal concern within PATCO. As the salary freeze on non-represented employees continued while incremental contractual pay increases for represented employees continued, the compression problem has been exacerbated. DRPA has contracted for an independent consulting firm to objectively review salaries and benefits.

ASSESSMENT TOPIC	PATCO DEPARTMENTS						SELECTED OBSERVATIONS
	PATCO Governance / General Manager	Transit Services	Passenger Services & Fare Collection	Way & Power	Equipment	System Safety	
Standard Operating Procedures							<ul style="list-style-type: none"> • Transit Services is a very procedures-driven organization and has developed an extensive set of written procedures and standards to support the delivery of rail services. • Policies and procedures tend to be developed in a “stove-piped” or “siloe” manner, with each individual department responsible for its own procedure development and without a standardized template or model reference. • The Safety Department has few procedural documents in place for daily activities. It has program and plans, and required procedures for major statutory programs, but procedures for daily tasks and activities are needed.
Workflow Analysis							<ul style="list-style-type: none"> • Administrative processes such as procurement, work order management, payroll and human resources have been developed in connection with the enterprise-wide software implementation process. • Workflow processes and procedures within the cash-handling unit of Passenger Services and Fare Collection appear to be well thought-out and repeatable, with reasonable controls to limit opportunities for fraud, theft or intrusion. • The Equipment Director is in the process of developing new documented processes and procedures for the maintenance of new rail cars in collaboration with the car rehabilitation contractor.

ASSESSMENT TOPIC	PATCO DEPARTMENTS						SELECTED OBSERVATIONS
	PATCO Governance / General Manager	Transit Services	Passenger Services & Fare Collection	Way & Power	Equipment	System Safety	
Vendor Effectiveness							<ul style="list-style-type: none"> For PATCO overall, the range of contracted services and support appears to be reasonable and no significant issues regarding contractor performance were reported to the audit team. The 2015 budget includes \$900,000 for contracted services in Way & Power, of which \$600,000 for elevator and escalator maintenance contracted to SEPTA. Published key performance indicators suggest that this contractor is performing effectively. Passenger Services and Fare Collection has significant reliance on service-providing vendors and contractors. These include equipment maintenance contractors, armored car service, the Transit Ambassador program and the customer service center. The Director closely monitors contractor performance.

Details supporting the basis of the assessment results, along with preliminary improvement concepts are contained in the separate Interim Report on the management audit, dated July 6, 2015. Additional data gathering and analysis subsequent to the delivery of the Interim Report, along with feedback review and comments received from PATCO and DRPA staff, helped to inform the final findings and recommendations included in this Final Report.

The next section of the Final Report describes the results of an online survey administered to PATCO managers, supervisors and support staff used to evaluate the degree of satisfaction with the shared internal administrative support services provided to PATCO from the parent DRPA organization.

V. INTERNAL SUPPORT SERVICES SURVEY RESULTS

The efficiency and effectiveness of PATCO service delivery is dependent in many respects on the performance of certain shared support services delivered to PATCO from the parent DRPA organization. In some cases, these support functions are provided by administrative staff on-site at PATCO's Lindenwold headquarters and in other cases are delivered remotely from DRPA headquarters at One Port Center in Camden, New Jersey.

As part of the management audit plan, the TTM team designed and administered an online survey to members of the PATCO management and supervisory team to assess the degree of their satisfaction with the level of support services provided and to provide an opportunity for constructive feedback to the service providers.

The specific service providers included within the scope of the support services satisfaction survey included:

- Finance.
- Purchasing.
- Human Resources.
- Contract Administration.
- Information Systems.
- General Counsel.
- Benefits Administration.

Appendix D to this report includes the detailed response data from the survey, the results of which are summarized in this section,

Response Profile

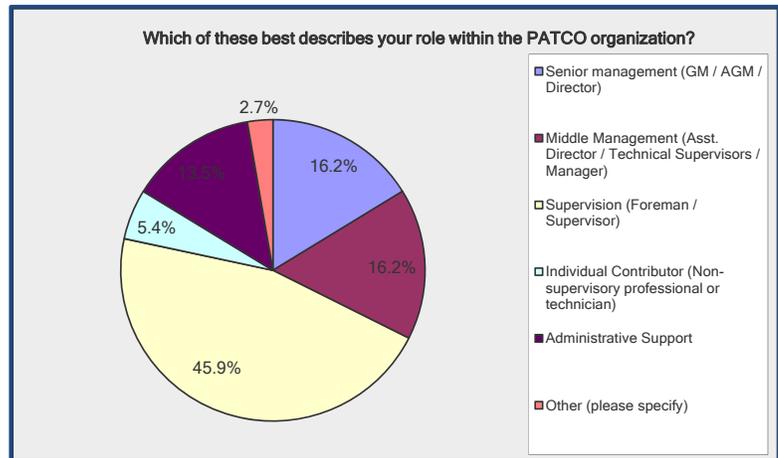
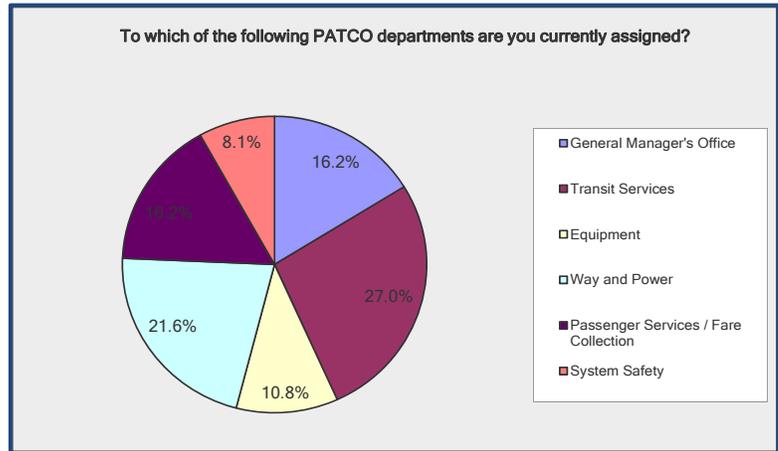
The Internal Support Satisfaction Survey was distributed to 64 PATCO managers, supervisors and administrative support staff members. Of those employees, 37 completed the survey for a response rate of 58%. The distribution of those 37 respondents by department is as follows:

- Six were from the General Manager's Office.
- Ten were from Transit Services.

- Four were from Equipment.
- Eight were from Way and Power.
- Six were from Passenger Services/Fare Collection.
- Three were from the System Safety department.

Respondents were then asked to classify their role within PATCO. Of those:

- Six were Senior Management.
- Six were Middle Management.
- Seventeen were Supervisors or Foremen
- Two were Individual Contributors or serve in a technician or non-supervisory or professional role.
- Five are in an Administrative Support role
- One was a Dispatcher

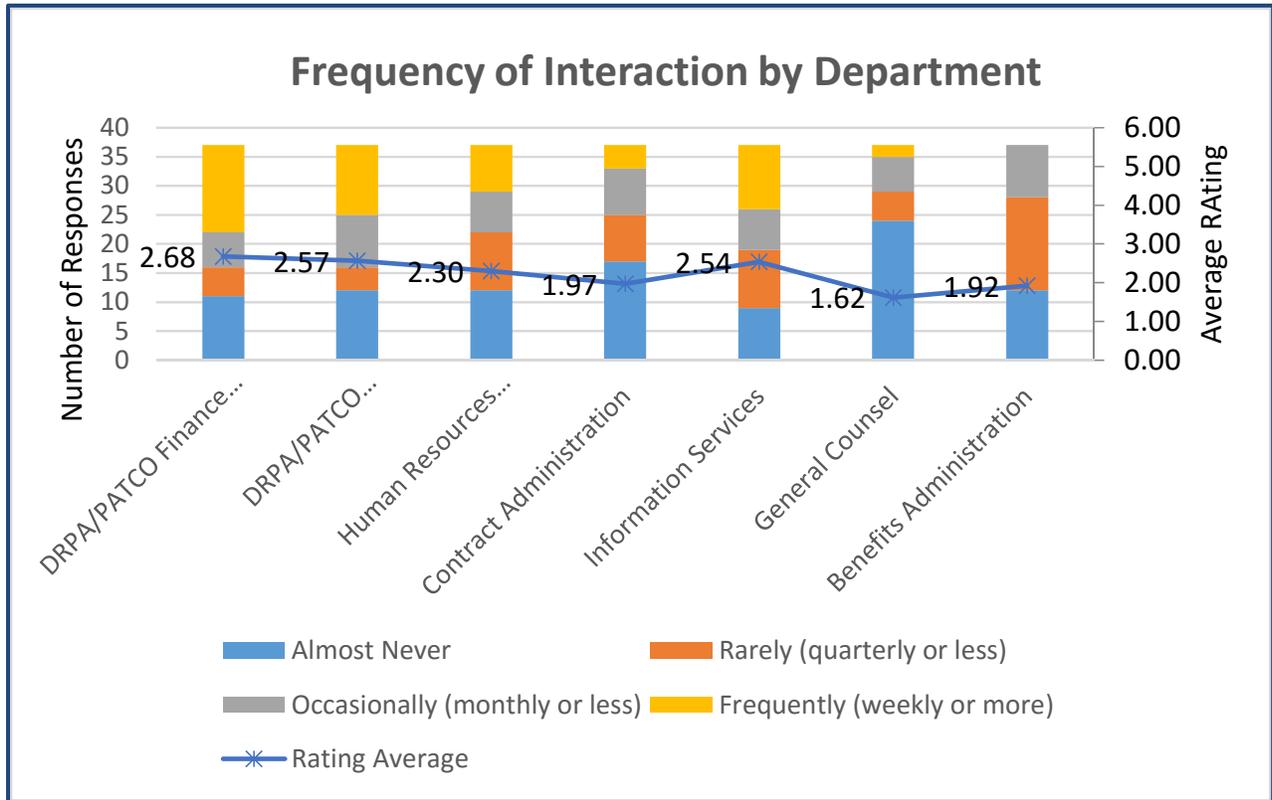


Frequency of Interaction with Internal Support Services

Those participating in the survey were asked to choose their frequency of interaction with the internal support organizations (Finance, Purchasing, Human Resources, Contract Administration, Information Systems, General Counsel, and Benefits Administration) on a four point scale, listed below:

- 1 – Almost Never
- 2 – Rarely (Quarterly or less)
- 3 – Occasionally (Monthly or less)
- 4 – Frequently (Weekly or more)

The graphic on the following page presents the reported frequency of contact and indicates that many of the respondents have infrequent need to directly interact with most of these service providers.



- **Finance**, an average rating of 2.68 indicates those that the majority of those that participated in the survey interact with the Finance department “Frequently”.
- **Purchasing**, shows an average rating of 2.57 which scores as “Occasionally”.
- **Human Resources**, with an average rating of 2.30 or “Rarely (Quarterly or less)” even though eight employees did report meeting with Human Resources on a frequent or weekly basis.
- **Contract Administration**, received an average rating 1.97 or “Rarely”.
- **Information Systems**, earned an average rating of 2.54 or “Occasionally” with 11 employees reporting that they interacted with this department on a weekly basis. This bodes well with the pending launch of the SAP enterprise resource planning system.
- **General Counsel**, with the lowest average rating of 1.62 and falling between “Almost Never” and “Occasionally” shows the limited interaction PATCO employees outside of the General Manager’s office have with this department.
- **Benefits Administration** was rated at 1.92 or “Rarely.”

Overall, these results suggest that the majority of PATCO employee interaction with Internal Support Services can best be described as occurring “Occasionally.” However, results suggest that PATCO workers have “Frequent” need to interact with their finance team.

Departmental Evaluation

For each of the shared support functions included in the satisfaction survey, the respondent results and a selected sample of narrative comments are provided. For each survey item, a series of statements descriptive of the range of services provided by the service provider afforded respondents an opportunity to indicate their level of satisfaction with the services on a six point scale:

- 0 - Not Applicable.
- 1 - Very Dissatisfied.
- 2 - Dissatisfied.
- 3 - Somewhat Dissatisfied.
- 4 - Somewhat Satisfied.
- 5 - Satisfied.
- 6 - Very Satisfied.

Additionally, respondents could optionally provide free-form responses to clarify the basis of their evaluations.

Results, by service providing department, follow below.

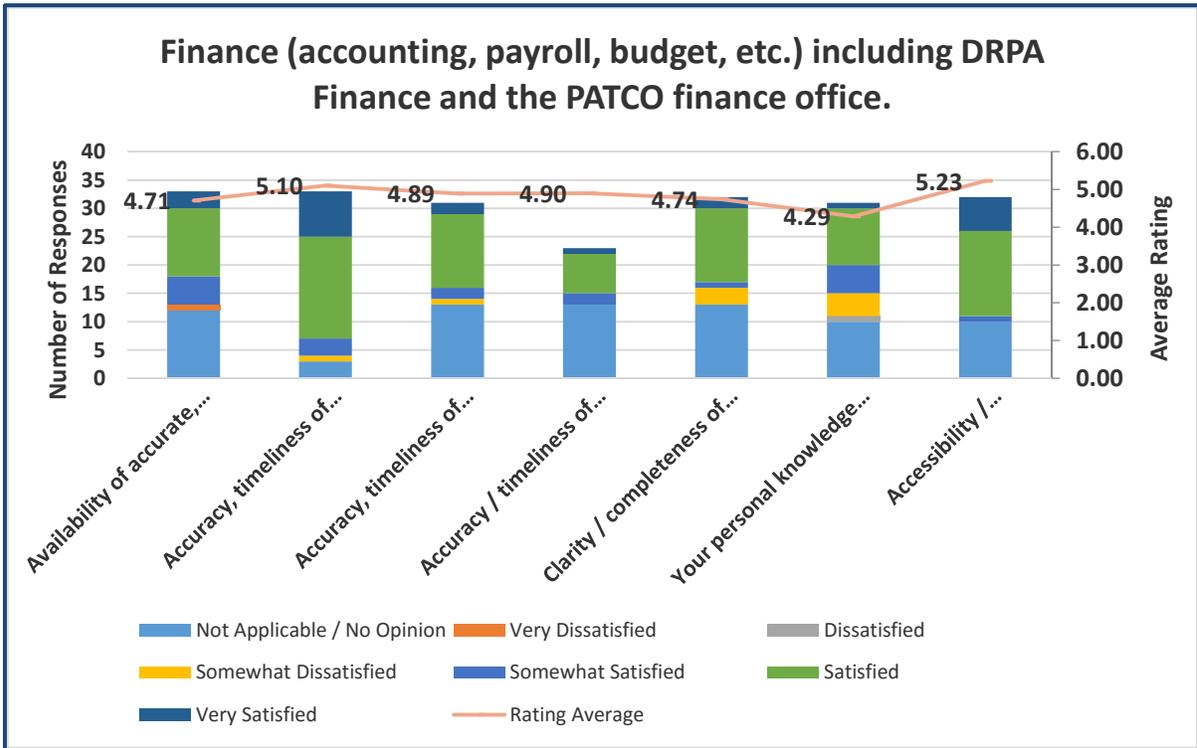
Finance

Respondents were asked to indicate their level of satisfaction with the services received from the DRPA/PATCO Finance Department from the following categories:

- Availability of accurate, timely financial/budget management reports.
- Accuracy/Timeliness of payroll processing.
- Accuracy/Timeliness of accounts payable process.
- Accuracy/Timeliness of revenue analysis.
- Clarity/Completeness of financial management policies and procedures documentation.
- Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on financial processes and procedures.
- Accessibility/Responsiveness of Finance staff.

For purposes of this survey, "Finance" was defined as including both DRPA and PATCO finance functions such as accounting, payroll, budget and related services.

The results of the satisfaction survey on the Finance related items are as follows:



- **Availability of accurate, timely financial/budget management reports**, shows an average rating of 4.71 or “**Satisfied**” despite the difficulties addressed by the following comment:

“Finance reporting is hobbled by ancient technology. I expect eventual improvement with the deployment of SAP.”

- **Accuracy/Timeliness of payroll processing**, reflects a favorable opinion of “**Satisfied**” with the second highest average rating of 5.1. The comments below support this, yet also show room for improvement:

“As a mostly manual system, the number of errors is relatively low. Excellent management of payroll under the circumstances.”

“Payroll is dependable and prompt. Only problem from DRPA side is the resolution of the occasional payroll issue for employees.”

“Payroll should be more proactive about communicating with employees when there will be a change in payroll.”

- **Accuracy/Timeliness of accounts payable process**, shows an average rating of 4.89 or “**Satisfied**”. However, the following comment highlights an area for improvement:

“Too much time is wasted trying to procure parts and equipment and this process must be streamlined somehow.”

- **Accuracy/Timeliness of revenue analysis**, with an average rating of 4.9 reflects a “Satisfied” response.
- **Clarity/Completeness of financial management policies and procedures documentation**, scored an average rating of 4.74 or “Satisfied”. However, one individual expressed dissatisfaction in this category with the following comments:

“Clarification of procedures and documentation for new supervisors is nonexistent.”

“I am not satisfied with current policies that are supposed to document & manage the "Scope of Work" of projects and work orders. This leads to confusion and "waste" and poor final results.”

“Some redundancy with document preparation could be reduced, or eliminated entirely.”

- **Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on financial processes and procedures**, shows an average rating of 4.29 which correlates to a feeling of “Somewhat Satisfied”. This was the lowest average rating for this question, which was reflected in the following comments:

“I am personally satisfied, however, the men that work under me are resisting the upcoming ERP system. I predict that there will be a long, long, long "learning curve”.”

“No knowledge. No training as yet.”

“I have only been trained on tablet 101.”

- **Accessibility/Responsiveness of Finance staff**, with the highest average rating of 5.23, indicates the respondents’ attitude of “Satisfied” towards this category.

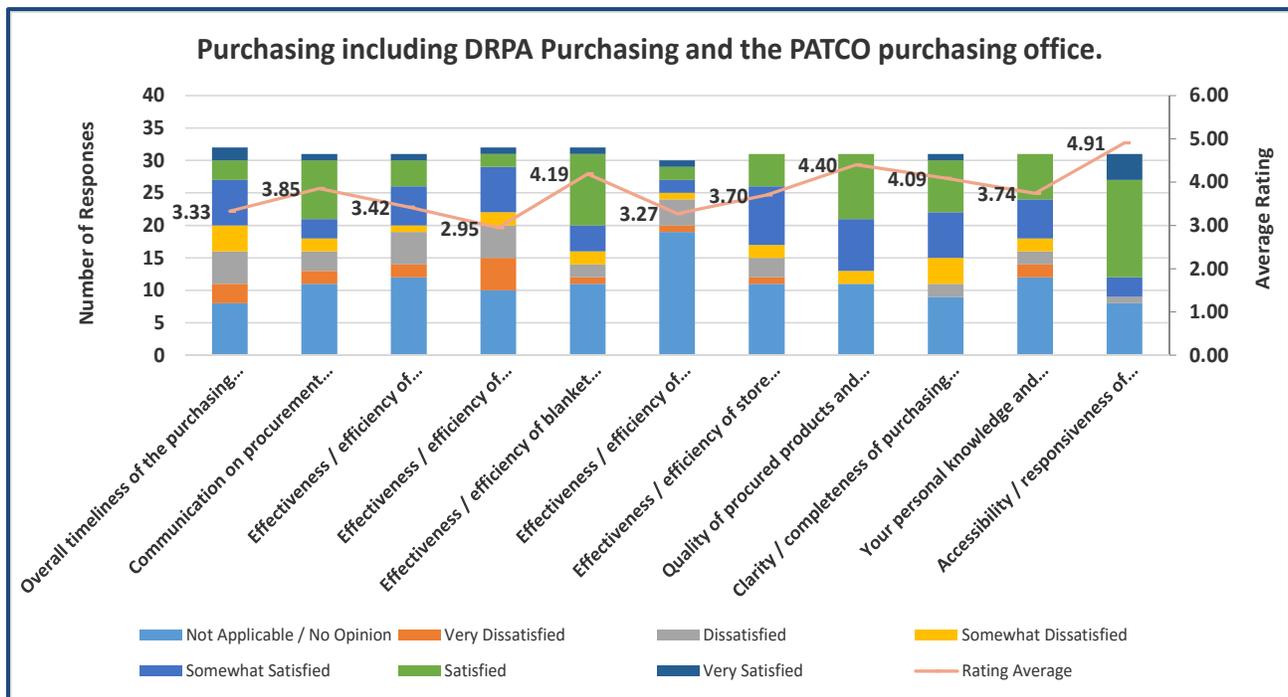
This collection of responses reflects an overall favorable evaluation of the Finance services provided to the company. The response to the final accessibility item suggests that the respondent employees are pleased with the location of finance personnel at the Lindenwold location. It should be noted that there were 11 employees at the Supervisor/Foreman position who selected that these categories were not applicable to their roles at PATCO.

Purchasing

For purposes of the survey, Purchasing included both the PATCO purchasing office as well as the DRPA purchasing program. Survey participants evaluated their satisfaction levels with the Purchasing Department from the following categories:

- Overall timeliness of the purchasing process.
- Communication on procurement status (changes, delays, vendor concerns, etc.)
- Effectiveness / efficiency of purchasing authority delegations.
- Effectiveness / efficiency of purchasing approval thresholds / dollar limits.
- Effectiveness / efficiency of blanket purchase order process.
- Effectiveness / efficiency of purchasing card program.
- Effectiveness / efficiency of store keeping operations and inventory management.
- Quality of procured products and services.
- Clarity / completeness of purchasing policies and procedures documentation.
- Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on purchasing processes and procedures.
- Accessibility / responsiveness of Purchasing staff.

The level of reported respondent satisfaction with the purchasing support provided to the PATCO organization is shown in the following graph:



- **Overall timeliness of the purchasing process**, with an average rating of 3.33 indicates that the majority of respondents are **“Somewhat Dissatisfied”** with this aspect of the Purchasing department, a sentiment echoed in the comments below:

“Standard items are processed fast, however, that is only 50% of what we do. The other half is unique & special items that take a very long time to be processed.”

“Purchases take far too long to process, especially when purchases are for emergency items.”

“Purchasing appears to be more concerned with adherence to requirements in the DRPA compact as opposed to efficient operation.”

- **Communication on procurement status (changes, delays, vendor concerns, etc.)**, shows an average rating of 3.85 that reflects an attitude being **“Somewhat Satisfied”** in this area of Purchasing despite the following comments:

“Feedback is poor. Sometimes substitutions and changes are made without the originator of the request being informed. Lack of “up-dates” makes it hard to plan and schedule work.”

“Do not receive any communication between the time purchases are sent for processing, and when the items are ordered and received. Usually have to call multiple times to find out the status of a PO.”

- **Effectiveness / efficiency of purchasing authority delegations**, scored an average rating of 3.42 or **“Somewhat Dissatisfied”** which is reflected in the following comment:

“Approval limits way too long for effective processing, too many approvals.”

- **Effectiveness / efficiency of purchasing approval thresholds / dollar limits**, with the lowest average rating in this category of 2.95 or **“Somewhat Dissatisfied”**. However, when the “N/A” responses were separated from the results, the average rating dropped to 2.29 or “Dissatisfied”, which can be summarized by the comments below:

“Thresholds and “dollar limits” are a constant restriction to work order completion.”

“Dissatisfied with the purchasing dollar limits, the effect of “reform.”

“PATCO’s B order needs to be increased to \$1500 not \$250.”

“Restriction of purchases due to dollar amounts hampers efforts to effectively maintain/repair equipment in a timely manner.”

- **Effectiveness / efficiency of blanket purchase order process**, earned an average rating of 4.19 or **“Somewhat Satisfied”**. A sentiment reflected in the comment section that show room for improvement:

“Blanket Purchase Orders are very helpful, but sometimes the dollar limit is a problem (see the question above).”

“P-cards would work better.”

- **Effectiveness / efficiency of purchasing card program**, shows an average rating of 3.27 or **“Somewhat Dissatisfied”** which is emphasized by the following comment:

“Office of the General Manager should have its own card and not have to track down another staff to use their card.”

- **Effectiveness / efficiency of store keeping operations and inventory management**, with an average rating of 3.70 or **“Somewhat Satisfied”** despite several areas of needed improvement listed in the comments:

“The store room does keep good operations and inventory. However, Store Room does NOT support our operation 24/7. For that reason, we have to find a ‘work-around’.”

“Most storeroom items should be available in self-service bins rather than requiring a signature. The process to get a “D” battery probably costs more than the battery.”

“Departments need to know when items are out of stock and there is a delay reordering.”

- **Quality of procured products and services**, showed an average rating of 4.40 or **“Somewhat Satisfied”** which was reflected in the comment section below:

“Procured products are reasonably good. Procured services are a problem because service providers are not always “monitored” well, and poor service results.”

“Some are good products, some are not. Some clearly are lowest-cost and meet the minimum requirements, but they're not a good product, and end up leading to more work to clean up after them or expend extra effort in the use of them.”

- **Clarity / completeness of purchasing policies and procedures documentation**, earned an average rating of 4.09 or **“Somewhat Satisfied”** which was not reflected in the following remark:

“Purchasing policies are not clear to people that are outside of the purchasing department, and it appears that the policies are not applied equally in all cases.”

- **Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on purchasing processes and procedures**, with an average rating of 3.74 echoed a **“Somewhat Satisfied”** sentiment towards this aspect despite several comments that suggested otherwise which are best summarized by the following comments:

“There has been no attempt to explain upcoming changes in the Purchasing Department (or any other department). I have only been told about “some changes” that will happen in my own department.”

“I am aware of the system but have yet to be trained to offer an opinion regarding the impacts. As we tried to assist with the setup we found multiple issues surrounding department operations.”

“It doesn't appear that ERP will improve the speed and efficiency of purchasing. It will make recordkeeping more efficient.”

- **Accessibility / responsiveness of Purchasing staff**, with the highest average rating of 4.91 or “**Satisfied**” is reflected by comment below:

“A very diligent, professional group of employees.”

The question results, in addition to the comments, show a “**Somewhat Satisfied**” attitude towards the Purchasing Department as a whole; although lack of 24/7 access to the storeroom appears to be an issue. The lack of training and general knowledge about the expected impacts of the implementation of new SAP enterprise resource planning software addressed in the comments also shows cause for concern. Twenty-one respondents selected that none of these categories were applicable to them.

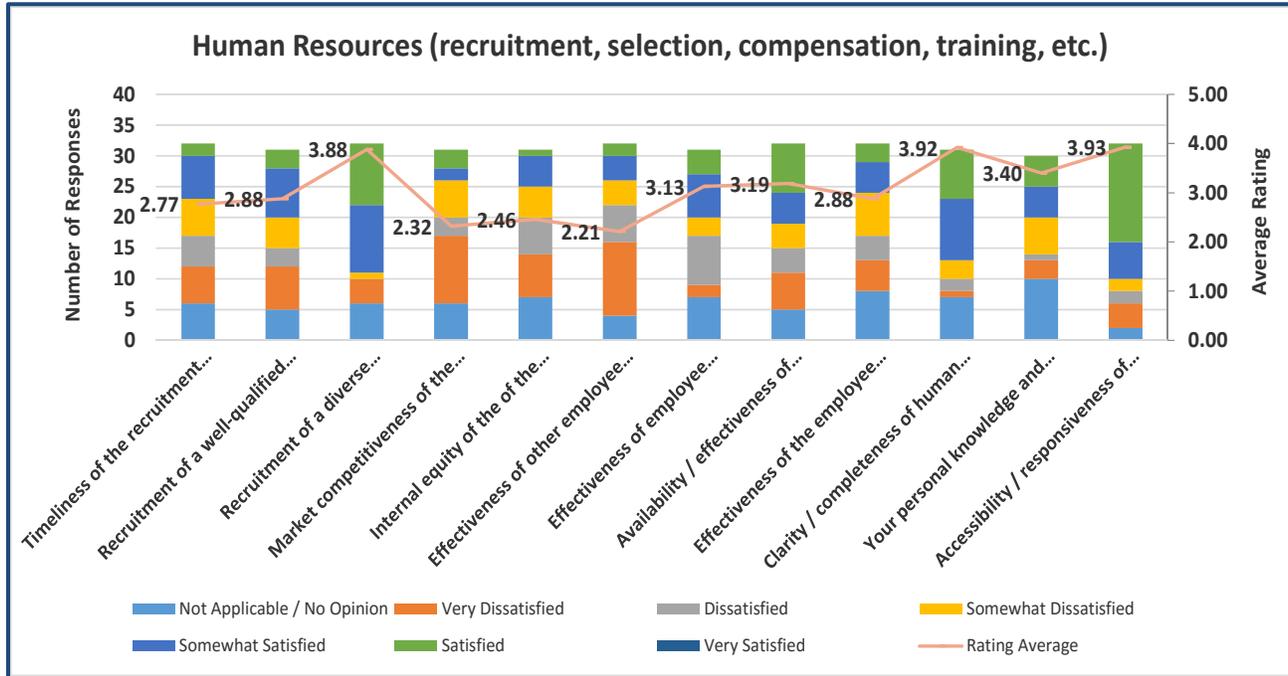
Human Resources

Satisfaction levels with Human Resources services and support were evaluated against twelve categories as shown below.

- Timeliness of the recruitment and selection process (including both new hires and promotional processes.)
- Recruitment of a well-qualified workforce.
- Recruitment of a diverse workforce.
- Market competitiveness of the Authority's pay plan.
- Internal equity of the of the Authority's pay plan.
- Effectiveness of other employee recognition programs (longevity, service awards, etc.)
- Effectiveness of employee relations services (disciplinary actions, grievances, etc.)
- Availability / effectiveness of employee training and development programs.
- Effectiveness of the employee performance evaluation process.
- Clarity / completeness of human resources related policies and procedures documentation.
- Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on human resources related processes and procedures.

- Accessibility / responsiveness of Human Resources staff.

The results obtained on these items are as shown below:



- **Timeliness of the recruitment and selection process** (including both new hires and promotional processes), with an average score of 2.77 or “**Somewhat Dissatisfied.**”

Selected open-ended responses to this item included:

“Takes far too long to go through the hiring process which leads to losing good candidates to other employers. Online site is confusing and errors are easy to make on the candidate side, and on the HR side.”

“The silk road program doesn't fit the needs of the organization for hiring.”

“This is improved from years past. Still a slow process, but improved.”

“The problem appears to be rooted in the policies rather than with HR's work. It makes no sense for the CEO to make every selection.”

- **Recruitment of a well-qualified workforce**, scored a 2.88 average rating or “**Somewhat Dissatisfied**” which is reflected in the following comments:

“Because of the lengthy hiring process we lose good people and end up getting lesser quality hires.”

“We are disappointed with the quality of many of the potential recruits. We don't understand how they make it past the Minimum Qualifications process.”

“Aging workforce is not being replaced while the retiring employees are still on the job. There is no transfer of knowledge from these well-seasoned and knowledgeable employees to the new recruits. Sourcing of good candidates is not ideal.”

“The problem appears to be salary policy and availability of qualified personnel rather than with how HRS works. If the pay and benefits don't attract candidates, HRS can't hire them.”

- **Recruitment of a diverse workforce**, earned an average rating of 3.88 or “**Somewhat Satisfied**” which was echoed in the comment (the only such comment received on this item):

“I find the DRPA has a good handle on diversity.”

- **Market competitiveness of the Authority's pay plan**, shows an average rating of 2.32 or “**Dissatisfied**”. It should be noted that the largest number of responses to this question were for “Very Dissatisfied”. The comments were consistent with this rating.

“Supervisors at other transit organizations are compensated better included time and a half for overtime.”

“We struggle to find qualified personnel because of our pay scale.”

“Management is NOT paid in line with the counterparts from other similar agencies this has always been an on-going issue.”

“Benefits are comparable to other agencies. Need to return the perks that were taken away. They lead to better morale overall.”

- **Internal equity of the of the Authority's pay plan**, with an average rating of 2.46 or “**Dissatisfied**.” Representative open-ended responses include:

“I don't agree with the grade system. Each position needs to be evaluated individually as departments have unique features that may increase or decrease responsibility and work load.”

“Supervisors should receive reviews and cost of living raises yearly the same as every other company.”

- **Effectiveness of other employee recognition programs (longevity, service awards, etc.)**, earned an average rating score of 2.21 or “**Dissatisfied**”. Selected employee comments on this item include:

“I've been here almost 30 yrs and never been given anything, if someone retires here we have to pitch in for the cake and the ceremony is in a dirty garage at the auto garage.”

“There is no recognition, I have personally received one (1) recognition in 28 years.”

“These don't exist due to ‘reform.’”

“Some people do not welcome the spotlight, and would prefer a monetary award without a lot of fuss and publicity.”

“PATCO tries to recognize exemplary employees, but the Authority as a whole should have programs such as those that were abandoned several years ago.”

- **Effectiveness of employee relations services (disciplinary actions, grievances, etc.),** shows an average rating of 3.13 which would indicate a **“Somewhat Dissatisfied”** perspective towards this area of Human Resources. Sample open-ended responses include:

“This has improved with additional focus.”

“Grievance process is fair, but can be petty.”

“Again slow and cumbersome for management to get resolution to on-going issues.”

“None of these appear to be within HRS' control.”

- **Availability / effectiveness of employee training and development programs,** scored an average rating of 3.19 or **“Somewhat Satisfied”** which was echoed in the following comments:

“Training is offered, but during critical times of capital projects, availability of time to train is also an issue.”

“DRPA has a wide variety of training programs. They appear to be focused toward day-work employees, but we manage to have everyone trained.”

“Efforts to provide training are better than average.”

- **Effectiveness of the employee performance evaluation process,** earned an average rating of 2.88 or **“Somewhat Satisfied”** although it's usefulness was questioned in the comment section:

“HRS has put together a good program but it's not supported well by upper management. It's a formality for the most part. To my knowledge no real decisions or plans are made based on evaluations. Basically you have to complete an evaluation for an employee to be eligible for a raise but I've never heard of anyone failing to get a raise based on an evaluation and I've never heard of anyone getting a bigger raise because of an evaluation.”

“Years between different variations of evaluation programs have caused some grief, and lack of pay raises for several years also hurts the process.”

- **Clarity / completeness of human resources related policies and procedures documentation**, earned the second highest rating in this category with an average rating of 3.92 or **“Somewhat Satisfied.”** A single narrative comment was received on this item:

“Some policies are readily explained and others need training/explaining but HRS doesn't readily provide training.”

- **Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on human resources related processes and procedures**, shows an average rating of 3.40 or **“Somewhat Satisfied”** as shown in the following comments:

“ERP as a concept is good, practical application will need to be done by all personnel at a high level in order for the system to work as designed.”

“ERP will improve recordkeeping but won't make any processes more efficient.”

“Haven't had the class yet.”

- **Accessibility / responsiveness of Human Resources staff**, earned the highest rating average of 3.92 or **“Somewhat Satisfied”**. Of three responsive comments received, the following was included:

“Always responsive.”

Survey results and comments related to Human Resources show a mixed picture. While some areas, such as the “Accessibility / Responsiveness of Human Resources staff,” “Clarity / completeness of human resources related policies and procedures documentation,” and “Effectiveness of the employee performance evaluation process” appear to be thriving, others are perceived less favorably. From the perspective of responding PATCO management staff, improvements to the hiring and promotional processes and enhancement of compensation programs are the most significant needs in this area. However, sixteen PATCO survey respondents selected that none of these categories were applicable to them.

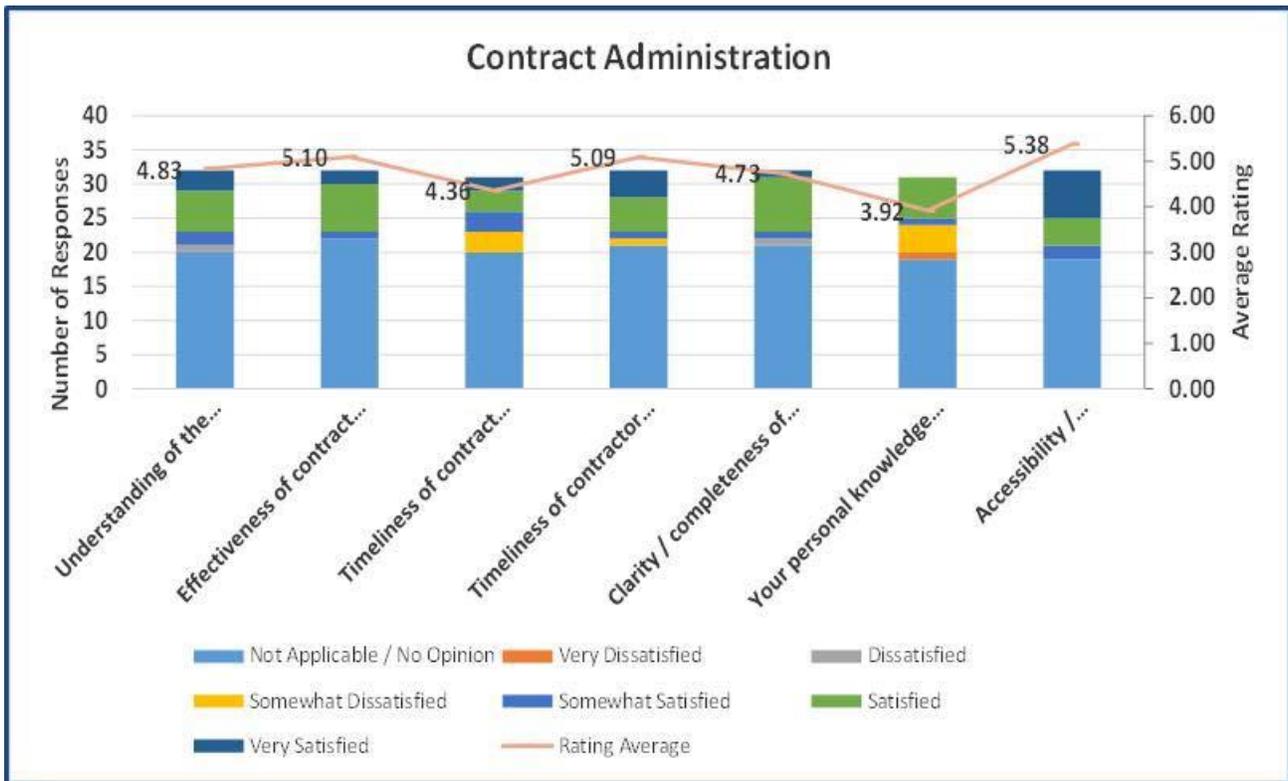
Contract Administration

Seven items were chosen for evaluation in the Contract Administration department.

- Understanding of the business and technical requirements of contracts under administration.
- Effectiveness of contract negotiation support.
- Timeliness of contract review and approval.

- Timeliness of contractor payment request, review and approval.
- Clarity / completeness of contract administration policies and procedures documentation.
- Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on contract administration related processes and procedures.
- Accessibility / responsiveness of Contract Administration staff.

The level of satisfaction reported on the Contract Administration items are summarized below and in the chart below.



- **Understanding of the business and technical requirements of contracts under administration**, earned an average rating of 4.83 or a favorable “**Satisfied**” despite the following comment:

“I am not satisfied with current policies that are supposed to document & manage the “Scope Of Work” of projects and work orders. This leads to confusion and “waste” and poor final results.”

- **Effectiveness of contract negotiation support**, shows an average rating of 5.10 or “**Satisfied**”.
- **Timeliness of contract review and approval**, scored a 4.36 or “**Somewhat Satisfied**”.

“The tie-up in Legal seems to have lessened in recent months, but for years it has been abysmal.”

- **Timeliness of contractor payment request review and approval**, earned a 5.09 or “Satisfied”.
- **Clarity / completeness of contract administration policies and procedures documentation**, shows a 4.73 or “Satisfied” opinion of this area of Contract Administration.
- **Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on contract administration related processes and procedures**, with an average rating of 3.92 or “Somewhat Satisfied” was the lowest rating in this category.
- **Clarity / completeness of contract administration policies and procedures documentation**, shows a 4.73 or “Satisfied” opinion of this area of Contract Administration.
- **Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on contract administration related processes and procedures**, with an average rating of 3.92 or “Somewhat Satisfied” was the lowest rating in this category.
- **Accessibility / responsiveness of Contract Administration staff**, earned the highest average rating of 5.38 or “Satisfied” was echoed in the following comment:

“Excellent staff. Very professional and supportive.”

As can be seen by the survey responses and comments, Contract Administration is seen by PATCO respondents to be producing high levels of customer satisfaction levels in each of the areas that were evaluated. It should be noted that while the “timeliness of contract review and approval” was once a severely lagging area of Contract Administration, it has in prior months become a more efficient function of this department. Twenty-two respondents selected that these categories were not applicable to them.

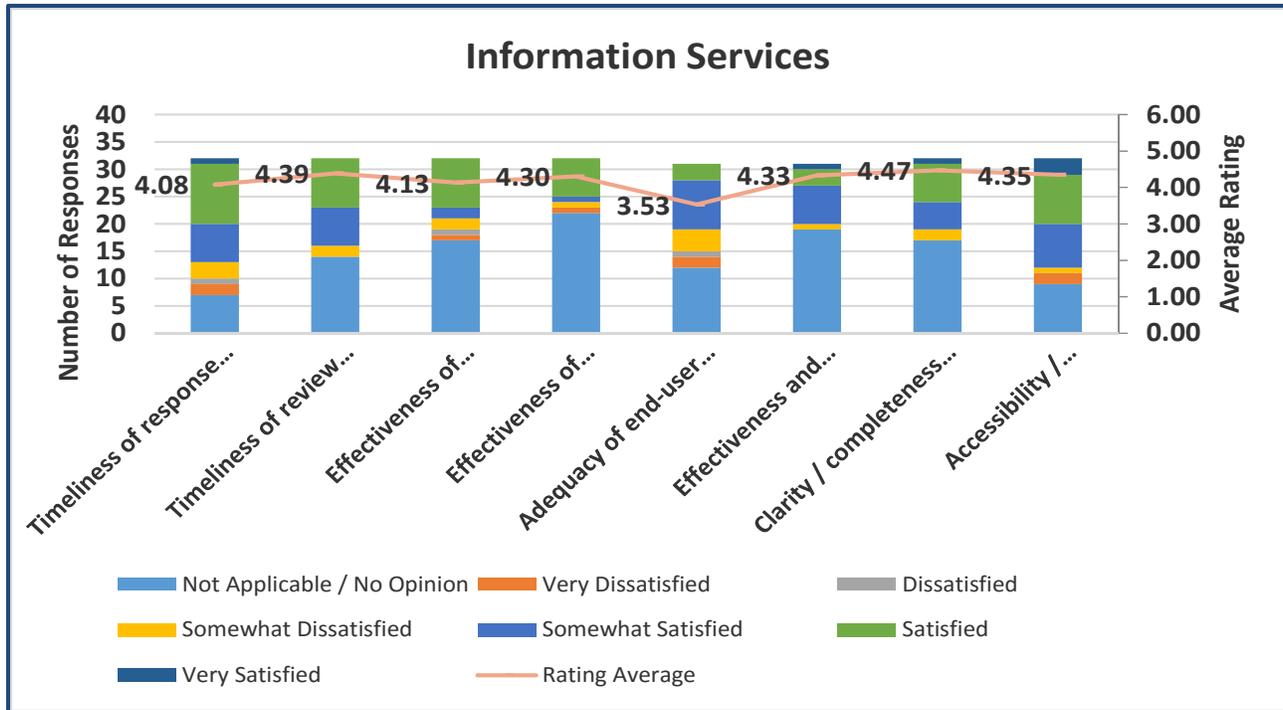
Information Services

Survey participants were then asked to evaluate the following 8 items within Information Systems:

- Timeliness of response for information services support requests / trouble tickets.
- Timeliness of review and approval of requested purchases of technology related products and services.
- Effectiveness of information technology project management.
- Effectiveness of information technology governance processes to support IS decision making (priorities, funding, technology standards, etc.)
- Adequacy of end-user training for new and upgraded systems.

- Effectiveness and efficiency of the technology procurement process (requirements gathering, user involvement, vendor selection and due diligence, quality assurance, etc.)
- Clarity / completeness of information services related policies and procedures documentation.
- Accessibility / responsiveness of Information Services staff.

The results are summarized in the following chart:



- **Timeliness of response for information services support requests / trouble tickets**, scored an earned average rating of 4.08 or “**Somewhat Satisfied**” although there was one issue relayed in the comments:

“Some issues are addressed immediately. Some seem to fall through the cracks. There is no follow-up to let you know if a problem was resolved.”

“Little follow-up on tickets. Tendency to create new tickets when old ones haven't been worked.”

- **Timeliness of review and approval of requested purchases of technology related products and services**, shows an average rating of 4.39 or “**Somewhat Satisfied**”.
- **Effectiveness of information technology project management**, earned an average rating of 4.13 or “**Somewhat Satisfied**”. This was not reflected in the comments below:

“IS underestimated the challenges of reversing decades of neglect with new systems. They don't understand PATCO's operations and organization so the solutions are rarely effective.”

“Sometimes the management side of the group fails to put forth all info regarding projects that cross over into other departments.”

- **Effectiveness of information technology governance processes to support IS decision making** (priorities, funding, technology standards, etc.), scored an average rating of 4.30 or “**Somewhat Satisfied**”.
- **Adequacy of end-user training for new and upgraded systems**, showed the lowest an average rating of 3.53 or “**Somewhat Satisfied**” despite the following comment:

“Recurring training is usually ignored. Users get trained once and then have to struggle through until they gain enough experience. The ERP project appears to be repeating this mistake except that they've named it (Super User's) and included it in their plan. That's how it's always worked.”

- **Effectiveness and efficiency of the technology procurement process** (requirements gathering, user involvement, vendor selection and due diligence, quality assurance, etc.), earned an average rating of 4.33 or “**Somewhat Satisfied**”.
- **Clarity / completeness of information services related policies and procedures documentation**, earned the highest average rating in this category of 4.47 or “**Somewhat Satisfied**”.
- **Accessibility / responsiveness of Information Services staff**, scored an average rating of 4.35 or “**Somewhat Satisfied**” with the exception of the below comment:

“There is no way a 24/7 operation that relies on technology should have a 9-5 IS department.”

While the narrative comments for Information Systems indicate opportunities for improvement, the overall results are moderately positive. However, there are a large proportion of the respondents who responded “Not Applicable / No Opinion” to the Information Systems items.

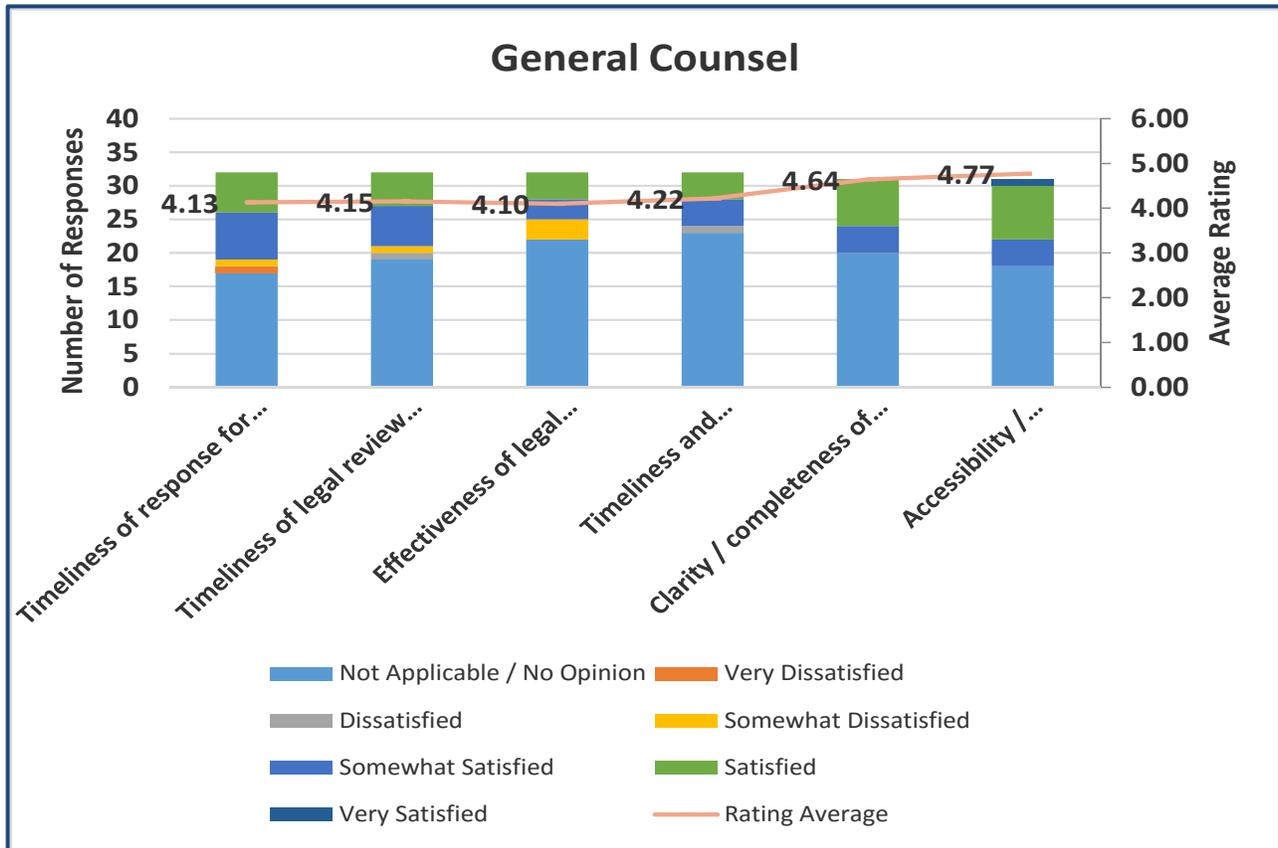
General Counsel

Six categories within the General Counsel were then evaluated by the survey participants.

- Timeliness of response for requests for routine legal advice / opinions / support.
- Timeliness of legal review and approval of contracts and other legal documents
- Effectiveness of legal representation (disciplinary matters, litigation support, contract negotiation, etc.)

- Timeliness and completeness of communication on legal matters (case status, regulatory changes, pending legislation, policy revisions, etc.)
- Clarity / completeness of legal related policies and procedures documentation.
- Accessibility / responsiveness of General Counsel staff.

The General Counsel survey results are shown in the following graphic:



- **Timeliness of response for requests for routine legal advice / opinions / support**, scored an average rating of 4.13 or “**Somewhat Satisfied**” and seems to have improved greatly in recent months based on the comment below:

“With several additional staff, the Legal Department’s response has improved significantly in recent months.”

“Excellent improvement in the past six months. Used to be terrible, is now very good.”

- **Timeliness of legal review and approval of contracts and other legal documents**, earned an average rating of 4.15 or “**Somewhat Satisfied**”.

“Most of this could be eliminated by using more boilerplate documents and having policies that cover most situations. A lot of the problem is that the CEO

has to approve too many trivial things and those things all need to be reviewed before the CEO approves them.”

- **Effectiveness of legal representation** (disciplinary matters, litigation support, contract negotiation, etc.), shows an average rating of 4.10 or “**Somewhat Satisfied**” which is demonstrated by the two conflicting comments below:

“Thorough and good advice on legal representation.”

“Being involved in litigation and represented by legal, sometimes we are not informed until we show at a hearing/deposition.”

- **Timeliness and completeness of communication on legal matters** (case status, regulatory changes, pending legislation, policy revisions, etc.), scored an average rating of 4.22 or “**Somewhat Satisfied**”.
- **Clarity / completeness of legal related policies and procedures documentation**, earned the second highest average rating of 4.64 or “**Satisfied**” for this category. Room for improvement was shown in the following comment:
- **Accessibility / responsiveness of General Counsel staff**, scored the highest average rating 4.77 or “**Satisfied**” as shown in the following comment:

Vastly improved with the Acting General Counsel. Don't know that we could ask for better service from the General Counsel's office.

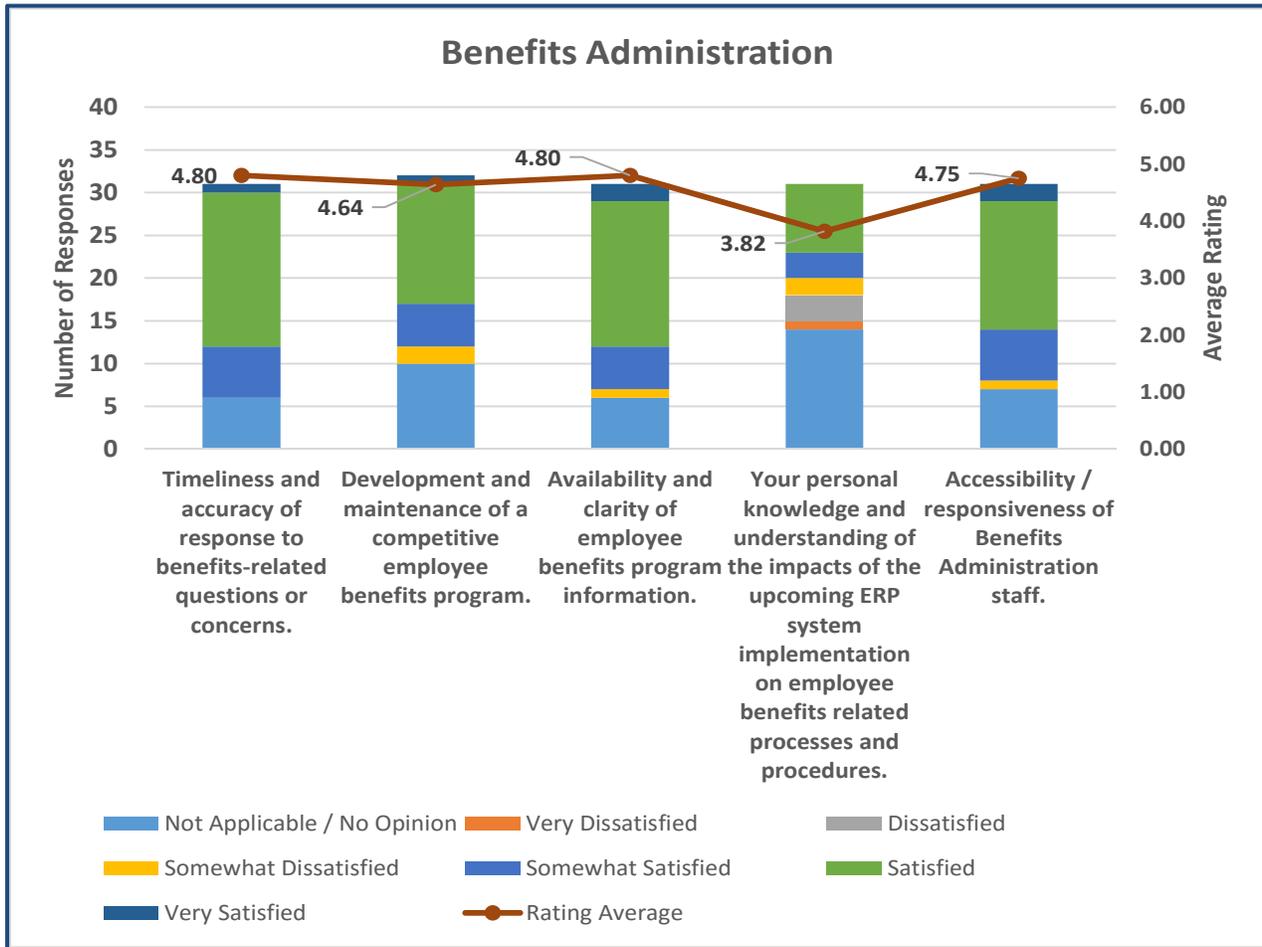
As summarized in the comments, the General Counsel department used to be seen as being plagued with problems. However, in the last six months, it is clear that the performance of the General Counsel’s office has improved greatly and is now seen as functioning at much higher level.

Benefits Administration

Survey respondents were then asked to evaluate the following areas:

- Timeliness and accuracy of response to benefits-related questions or concerns.
- Development and maintenance of a competitive employee benefits program.
- Availability and clarity of employee benefits program information.
- Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on employee benefits related processes and procedures.
- Accessibility / responsiveness of Benefits Administration staff.

The results are summarized in the following graph:



- **Timeliness and accuracy of response to benefits-related questions or concerns**, scored an average rating of 4.80 or **“Satisfied”**.
- **Development and maintenance of a competitive employee benefits program**, earned an average rating of 4.64 or **“Satisfied”**.
- **Availability and clarity of employee benefits program information**, shows an average rating of 4.80 or **“Satisfied”**. However, one respondent showed room for improvement with the following comment:

“Not readily clear from printed material. Often need clarification of rules/processes.”

- **Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on employee benefits related processes and procedures**, scored the lowest average rating of 3.82 or **“Somewhat Satisfied”**. Even with this favorable

attitude regarding ERP, one respondent conveyed the continued need personal interaction with following comment:

“I think they're still going to need people to answer benefits questions and resolve problems. ERP will handle routine matters well enough but I don't think that's currently a problem.”

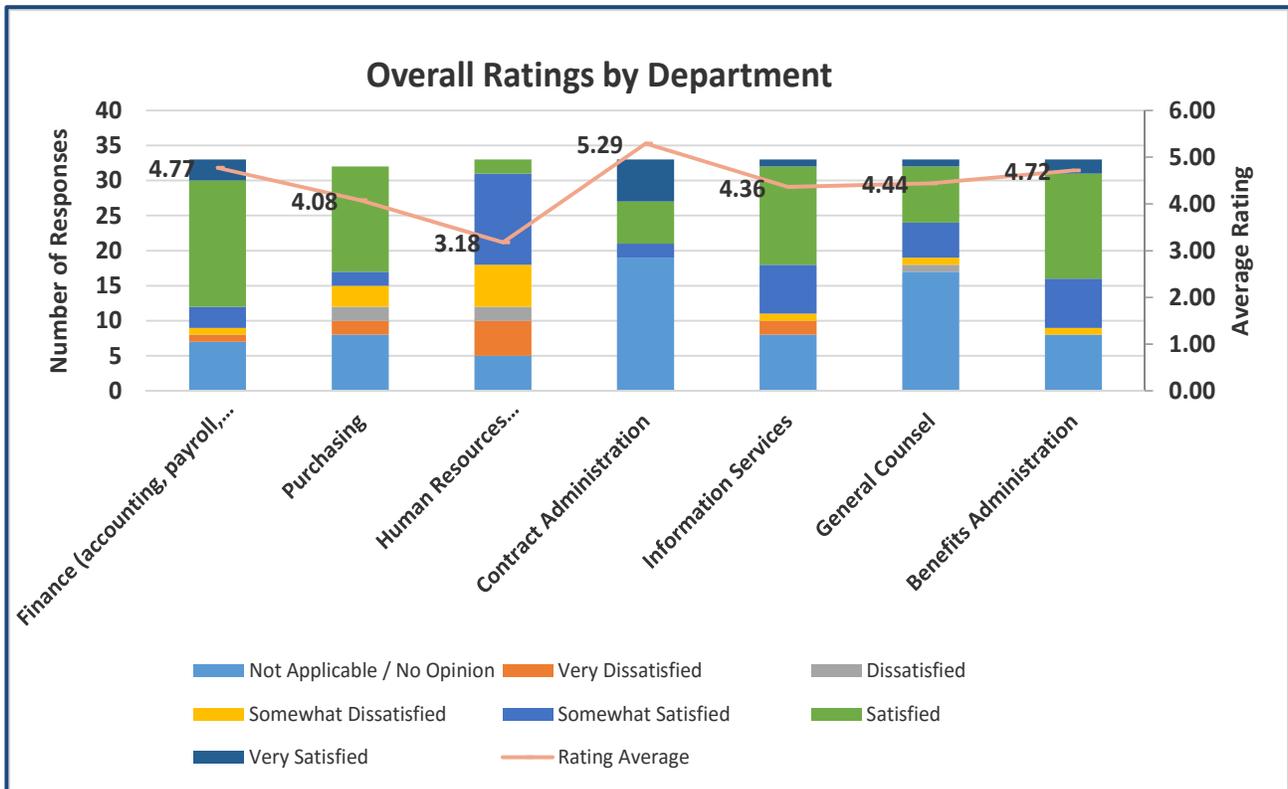
- **Accessibility / responsiveness of Benefits Administration staff**, earned an average rating of 4.75 or **“Satisfied”** as demonstrated by the following comment:

“Very nice staff, helpful when called for assistance.”

With the exception of the respondents’ knowledge of the upcoming ERP implementation category, Benefits Administration was one of the highest rated departments in this survey. Sixteen respondents selected that none of these categories were applicable to them.

Overall Ratings by Department

At the conclusion of the survey, participants were asked to consider the entirety of their responses and provide an “overall” rating for each service providing department. Overall ratings are graphically depicted in the following chart and summarized below.



- **Finance** (*accounting, payroll, budget, etc.*), earned an average rating of 4.77 or “**Satisfied**”.
- **Purchasing**, scored an average rating of 4.08 or “**Somewhat Satisfied**”.
- **Human Resources** (*recruitment, selection, compensation, training, etc.*), scored an average rating with 3.18 or “**Somewhat Dissatisfied**”.
- **Contract Administration**, earned the highest average rating of 5.29 or “**Satisfied**”.
- **Information Services**, shows an average rating of 4.36 or “**Somewhat Satisfied**”.
- **General Counsel**, scored an average rating of 4.44 or “**Somewhat Satisfied**”.
- **Benefits Administration**, earned an average rating of 4.72 or “**Satisfied**”.

Internal Support Services Satisfaction Summary

On average, the employees who participated in this survey – **and who expressed an opinion** - are “Somewhat Satisfied” by the internal support services at PATCO. While the ratings were positive overall, there are areas that can benefit from improvement noted in several areas critical to the functional efficiency and effectiveness of PATCO.

These opportunities for improvement include:

- Deployment of the DRPA procurement card program to PATCO to improve the efficiency and timeliness of routine purchases and reviewing the existing purchasing thresholds to allow more management flexibility.
- Collaboration between HRS and PATCO management to shorten the length of time required to recruit and select quality employees.
- Ensuring that the Authority’s compensation program is both competitive with the marketplace and internally equitable, providing PATCO the opportunity to effectively attract, retain, develop and advance a competent and committed workforce.
- Improving support and guidance to PATCO managers and supervisors in the handling of employee relations matters.

In virtually all of the areas surveyed, large numbers of respondents indicated that they had no opinion or that the item was non-applicable to their job. However, it is important that managers, supervisors and support staff be fully conversant, knowledgeable and trained in the policies, processes and procedures to effectively leverage the DRPA organization’s support capabilities to the benefit of their respective organizations.

The next section of the Final Report discusses the results of a high-level evaluation of the overall competitiveness and structure of the PATCO employee compensation program.

VI. COMPENSATION COMPETITIVENESS ANALYSIS

A component part of the PATCO management audit was a high-level evaluation of the overall competitiveness and equity of the company's employee compensation program. A full compensation program redesign was outside of the scope of this assignment and such a study is currently in progress under the direction of the DRPA Chief Administrative Officer and supported by the Human Resources Services Department. Instead, this compensation evaluation is included in response to the requirements of the management audit request for proposal and is intended to generally assess the overall market position and structure of the PATCO salary plan, relying upon available data, and to develop appropriate recommendations for further action.

The compensation analysis addressed two primary questions:

- Is there sufficient reason to believe that the PATCO employees are under or over compensated relative to the market?
- Is there evidence of compression in the salary structure that impairs the equity and / or effectiveness of the compensation program?

Background

A well-designed salary structure provides an organization with a framework within which an organization can manage one of its most significant cost centers, i.e. the compensation and benefits of its workforce. The pay structure should balance two primary – and sometimes competing - objectives:

- **External equity**, which seeks to ensure that compensation levels are competitive with those available in a competitive market, consistent with the organization's compensation philosophy and financial wherewithal. An organization that fails to maintain an externally equitable compensation program risks, over time, an inability to recruit and retain workers with the requisite knowledge skills and abilities to accomplish the organization's purpose.
- **Internal equity**, which seeks to ensure that the relative differences in pay among different jobs in the organization are fair based on the assigned duties and responsibilities, required skills, etc. An organization lacking an internally equitable pay structure also faces risks to recruitment and retention and, as well, risks negative impacts on its ability to effectively manage employee career growth.

PATCO employees are assigned to one of three separate pay structures:

- Executive level staff members are assigned to one of five pay grades ranging from a minimum annual salary of \$80,106 to a maximum of \$207,396. Each of the five pay grades has established minimum, midpoint and maximum salaries for the jobs assigned to it,

without fixed pay steps and with a 50% spread between the entry and the maximum rates of pay. “Midpoint progression” – the difference between the middle salary in the range at each level – averages approximately 15%. Jobs assigned to these ranges include the General Manager, Assistant General Manager, and all Directors and Technical Supervisors.

- Supervisory, professional and other non-represented administrative and support employees are assigned to the “S” schedule. Low annual salary for this schedule is currently \$23,728 and the high is \$107,066. The structure of the S schedule is similar to the “E” schedule, with a total of 12 pay grades, range spread of 50% and midpoint progressions that gradually increase from approximately 6% at the low end to 15% at the upper end of the schedule.
- Employees represented by Teamsters Local 676 are assigned to a negotiated pay structure of “H” grades. Each “H” or hourly pay grade has a base hourly wage assigned to it. New employees enter at 85% of the base rate and advance stepwise to 90% of base upon successful completion of initial probation, 95% of base at the one year anniversary mark and to 100% of the established base rate for the job at two years of service.

The rates in the “E” and “S” grades have not been adjusted since January of 2010, and pay has been effectively frozen since that time, except for promotions and occasional re-classifications. In the summer of 2015, non-represented employees were awarded a 2.5% across-the-board increase, retroactive to the beginning of the fiscal year.

Similarly, the Teamsters are working on the 2010 grade and step structure since the expiration of the contract in May of 2011. New employees in these jobs are hired at the entry rate for their assigned job and grade and, over a two year period, advance to the base rate established in the contract.

The DRPA Human Resources Department is responsible for pay administration Authority-wide. At this writing, there was no recent comprehensive salary survey available to establish the overall market competitiveness of the pay program, although individual pay studies are regularly performed on an as requested / as needed basis, with the help of an external consultant. As described in a 2013 Board Resolution awarding a contract to Career Concepts, Inc. (“CCI”), professional compensation management support services include:

- On a case-by-case basis or on a group-by-group basis, as requested by the DRPA, determine the relative worth of jobs by using job sampling, job grading, factor comparison, or other methods determined by the consultant.
- Compare compensation levels of those positions within the Authority to similar positions within the local private sector, local public sector, and other comparable transportation agencies.
- Evaluate job worth and match with labor market worth, establishing the appropriate pay level for each job.

- Provide written reports to DRPA detailing the findings of the audits and recommendations regarding salary reviews and job classification.

Competitive and structural weaknesses in the DRPA/PATCO compensation have been a known issue for several years and constraints have impeded the Authority's ability to effect corrective actions. In April of 2015, at the recommendation of the Chief Administrative Officer, CCI was competitively engaged by DRPA to conduct a comprehensive analysis of the Authority's organizational structures, salaries and pay grade structures, employee benefits and pay administration practices for both DRPA and PATCO.

Disclaimer

As noted above, the update and redesign of the PATCO compensation plan was outside of the scope of the management audit. That work, vitally important to the organization's future, is the subject of a more comprehensive and holistic assessment. The TTM team focused, therefore, on the collection of limited amounts of readily available data, as well as the examination of the internal salary relationships for the purpose of identification of evidence of salary compression sufficient to express an opinion on the competitiveness and equity current pay practices. The data included in this report is, therefore, insufficient for any other purpose and should not be used to make decisions related to the redesign of the compensation program and structure or to adjust individual compensation levels.

Compensation Analysis Approach

In completing the compensation analysis, the TransTech team completed the following tasks:

- Reviewed existing pay program information at PATCO.
- Worked with the Inspector General's Office and PATCO management to identify a list of candidate regional transit agencies for the collection of market data.
- Developed a list of 30 benchmark jobs, representative of the range of PATCO executive, supervisory and hourly jobs, for which to collect and analyze base salary against the external market. These job titles accounted for 40% of the 74 jobs currently in use at PATCO and included:
 - Custodian, Equipment
 - Customer Service Agent
 - Dispatcher
 - Electronic Technician, Equipment
 - Equipment Electrician
 - Equipment Electrician A/C
 - Fare Collection Equipment Foreman
 - Mechanical & Structural Technician
 - Mechanical Foreman, Equipment
 - Revenue Collector
 - Safety Specialist
 - Station Supervisor
 - Supervisor (Transit Services)
 - Supervising Dispatcher, Transit Services

- Fare Collection Repairman
- Machine Operator 1/C
- Machinist 1/C
- Maintenance Mechanic - 1st Class
- Manager, Electrical and Electronics
- Manager, Mechanical & Custodial
- Manager, Power, Signals & Communications
- Manager, System Safety
- Manager, Track, Structures & Mechanical
- Technical Supervisor, Civil & Mechanical Systems
- Technical Supervisor, Transit Services
- Track Foreman, Way & Power
- Track Mechanic
- Train Operator
- Way & Power Maintainer
- Welder

(NOTE: Four of these jobs produced insufficient data for comparative purposes, including Fare Collection Equipment Foreman, Safety Specialist, Supervising Dispatcher and Track Foreman, Way & Power)

- Consulted with PATCO management and the Office of the Inspector General, to identify the following seven transit agencies as candidates for data collection and analysis:
 - Greater Cleveland Rapid Transit Authority (GCRT)
 - New Jersey Transit
 - New York Metro Transit
 - Niagara Frontier Transportation Authority (NFTA)
 - Port Authority of Allegheny County (PAAC)
 - Port Authority of New York and New Jersey / Port Authority Trans Hudson (PATH)
 - Southeastern Pennsylvania Transportation Authority (SEPTA)

Following multiple attempts to secure participation from the above-listed agencies, only three provided data in time for analysis and inclusion in this report. These include:

- PAAC
- PATH
- SEPTA

Additionally, the Inspector General's Office supported TTM's request to secure a copy of the most recent transit salary survey from the American Public Transportation Association. This study was dated in 2012 and focused on management and supervisory positions only and did not prove to be a useful source of comparative data.

While the sample size is very small, it does represent those agencies providing services similar to those of PATCO and in reasonable geographic proximity.

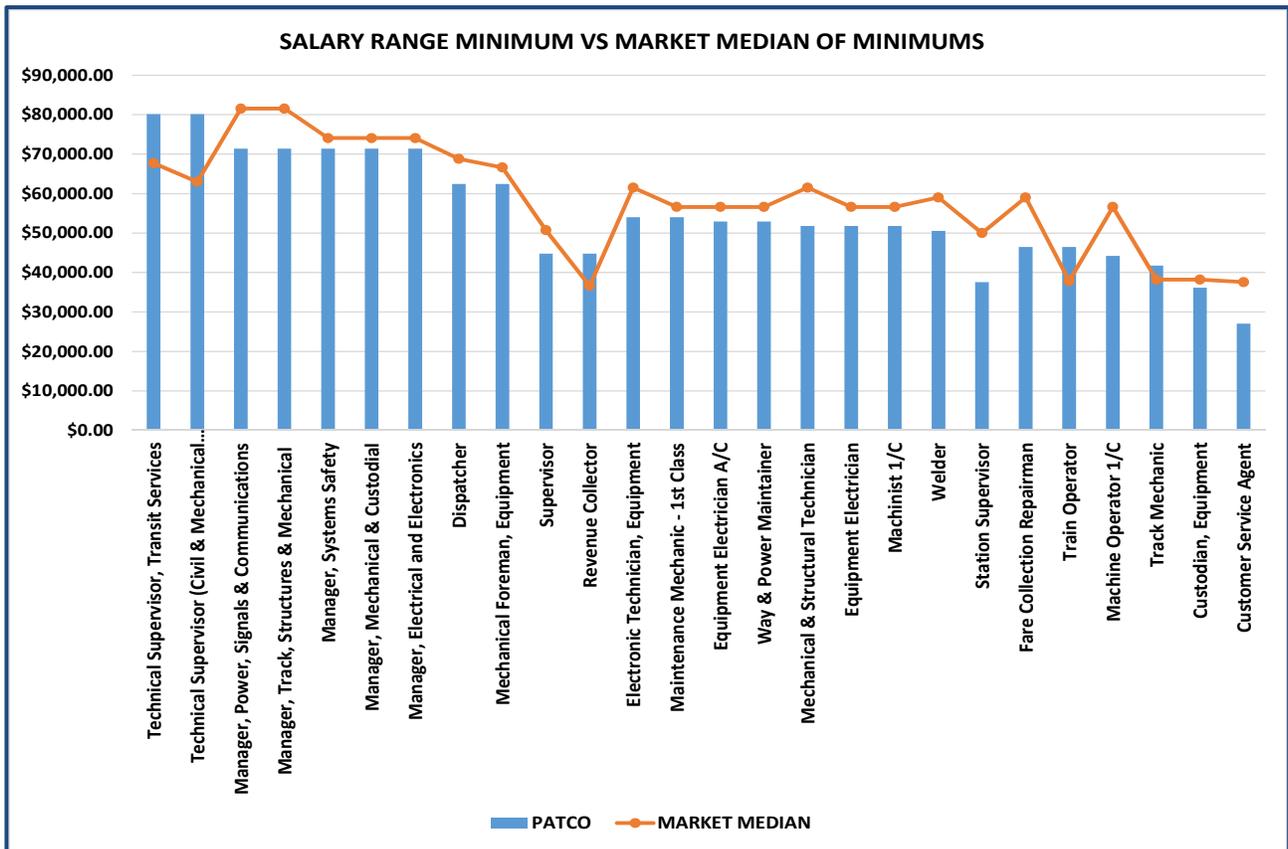
- Reviewed information provided by the participating agencies to establish for each benchmark job:
 - Minimum / entry base pay rate.
 - Maximum annual pay rate.
 - Average actual annual pay.
- Analyzed the collected market data to compare the differences between current PATCO rates and the median (middle) rates at the minimum, maximum and average actual pay points.

Summary of Market Data Analysis

Appendix E to this report includes the detailed results of the data collection and analysis by job.

Minimum / Entry Pay Comparison

The graph below illustrates the comparison of PATCO entry rates to the median annual entry rate for comparable jobs from the participating survey agencies. For the non-represented employees, this entry rate is the lowest rate in the established pay range for each position. For the Teamsters jobs, the entry rate is taken from the lowest step in the current labor contract rate for each job title.

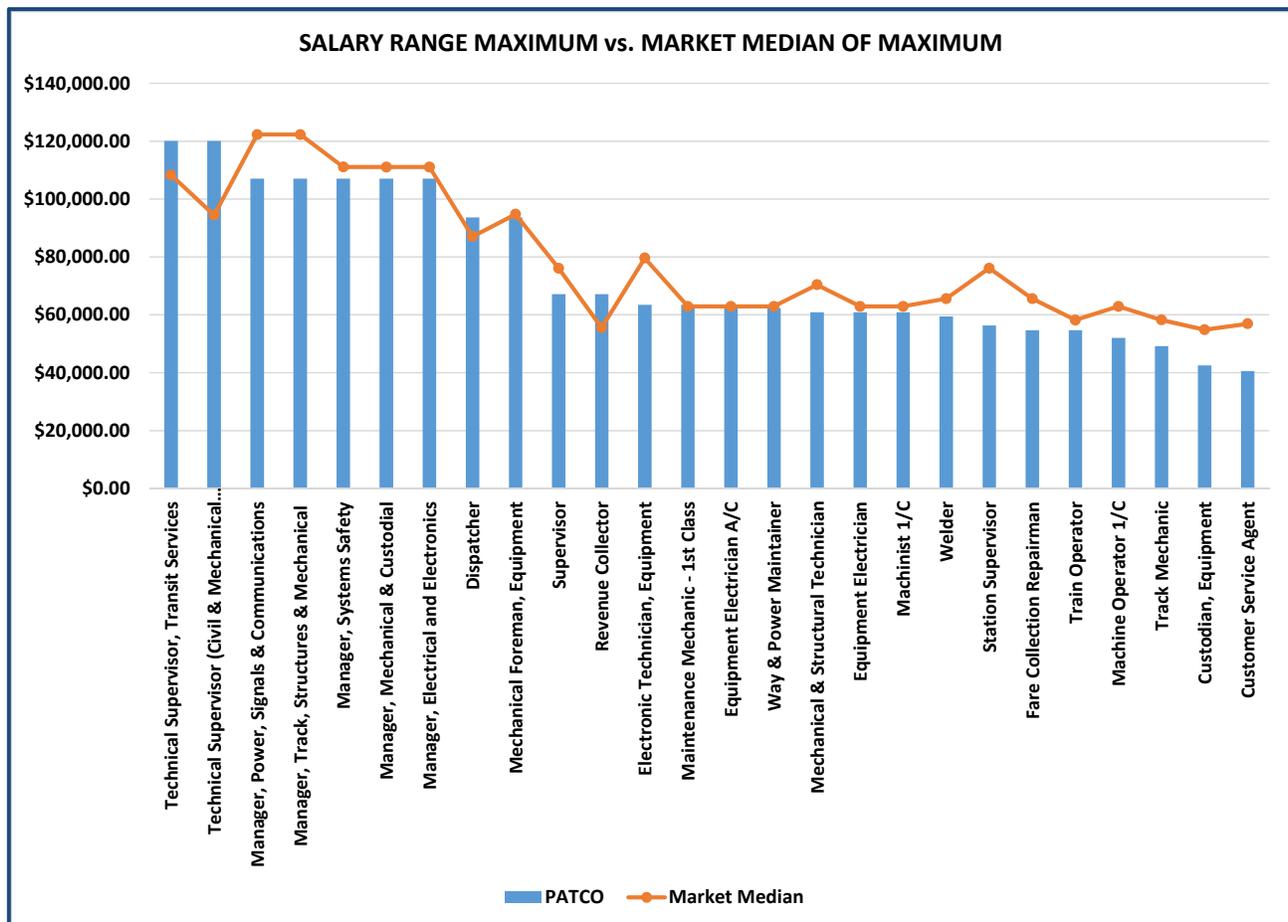


The data indicates that for the significant majority of the benchmark jobs, the current PATCO minimum annual salary is below that of its regional competitors.

- On average, the minimum rate of pay at PATCO for the surveyed jobs is 9.1% lower than the minimum rate for comparable jobs.
- The differences noted ranged from 39% lower than the minimum market median for a Customer Service Agent to 18.6% higher for a Train Operator.
- Five of the 26 jobs surveyed showed minimum rates that exceed the median of the collected data. These include the Technical Services Supervisor (Transit Services), Technical Services Supervisor (Civil and Mechanical Systems,; Revenue Collector, Train Operator and Track Mechanic.

Maximum Pay Comparison

Looking at the maximum available rates of pay for the PATCO benchmarks in comparison to the middle of the surveyed market, as shown in the graph below, PATCO maximums tend to be lower than that of their directly competitive counterparts. Similar to the previous chart, both represented and non-represented jobs are shown, using either the top rate in the established pay range for non-union positions or the top contractual rate for the Teamster’s job titles.



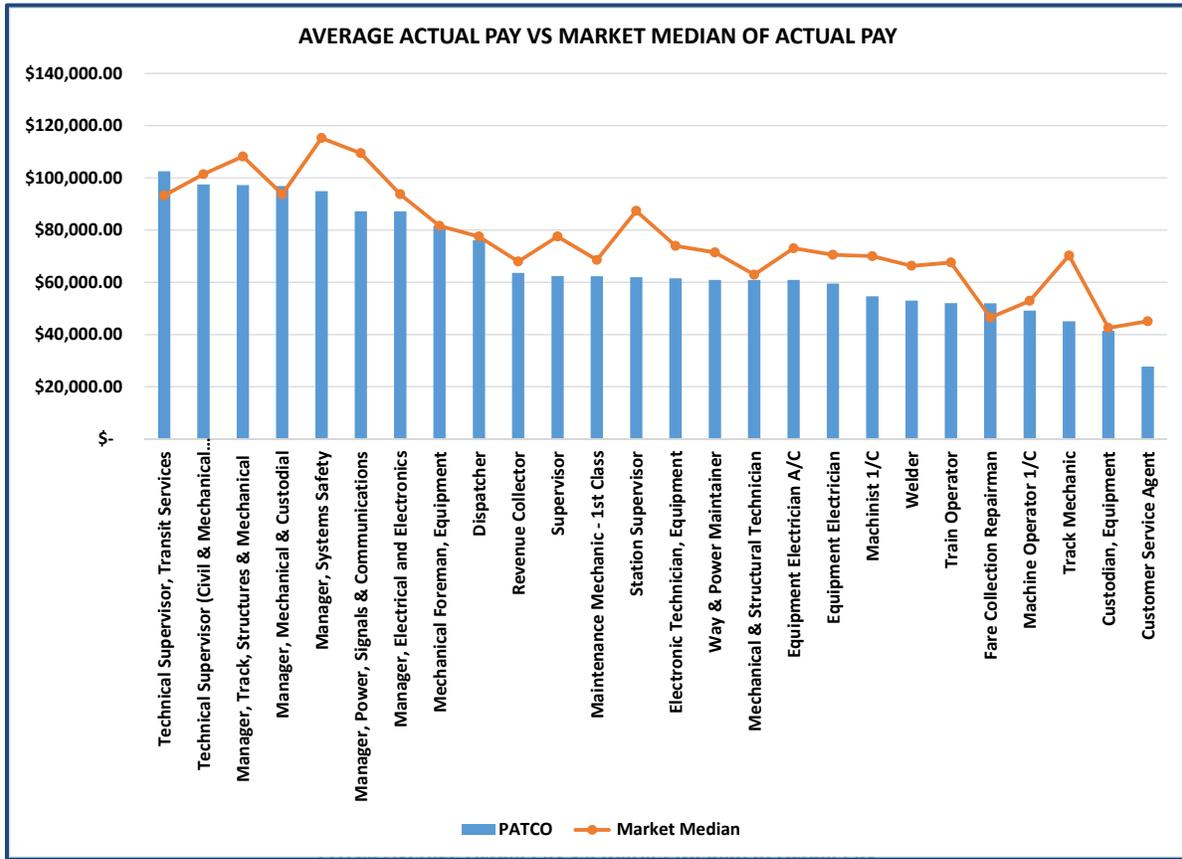
- On average, the top available rate of pay in PATCO for the benchmark jobs is 8.5% lower than the comparable jobs in the peer agencies.
- The differences noted ranged from 32.8% lower for a Customer Service Agent to 21.3% higher for a Technical Supervisor (Civil and Mechanical Systems).
- Five of the 26 PATCO positions showed top rates of pay over the median of market top rates: Technical Supervisor (Transit Services) (9.86%), Technical Supervisor (Civil & Mechanical Systems) (21.38%), Dispatcher (7.00%), Maintenance Mechanic - 1st Class (0.96%), and Revenue Collector (17.30%). It should be noted that three of these positions: Technical Supervisor (Transit Services), Technical Supervisor (Civil & Mechanical Systems), and Revenue Collector were above both the minimum and maximum market medians.

Taken together, the analysis of the salary range minimums and maximums suggest that, overall, the PATCO pay structures lag the structures in the comparison agencies by approximately 8% - 10% with some significant divergences above and below that range in individual cases.

Actual Pay Comparison

When comparing the average actual pay of PATCO employees in the benchmark jobs to the average actual pay of their counterparts in the three responding agencies, the data suggest that PATCO incumbents are paid less than their peers in many instances. The chart on the following page illustrates this observation.

- On average, the average actual rate of pay at PATCO for the comparison jobs is 15.7% below that found for comparable jobs in the peer agencies.
- The differences noted ranged from 62.4% lower for a Customer Service Agent, which has shown the lowest pay against the market median for each category, to 10.47% higher for a Revenue Collector.
- The distribution of the relationship of PATCO salaries to the market median of actual average pay is illustrated in the “heat map” found on the next page, which also indicates a strong pattern of below market pay levels based on the limited data available for this study.



Title	- 20% +	- 15% - 19.9%	- 10% - 14.9%	- 5% - 9.9%	- 0% - 4.9%	+ 0% - 4.9%	+ 5% - 9.9%	+ 10% - 14.9%	+ 15% - 19.9%	+ 20% +
Technical Supervisor, Transit Services										
Technical Supervisor, Civil & Mech. Systems										
Manager, Power, Signals & Communications										
Manager, Track, Structures & Mechanical										
Manager, Systems Safety										
Manager, Mechanical & Custodial										
Manager, Electrical and Electronics										
Dispatcher										
Mechanical Foreman, Equipment										
Electronic Technician, Equipment										
Maintenance Mechanic - 1st Class										
Equipment Electrician A/C										
Way & Power Maintainer										
Mechanical & Structural Technician										
Equipment Electrician										
Machinist 1/C										
Welder										
Fare Collection Repairman										
Train Operator										
Supervisor										
Revenue Collector										
Machine Operator 1/C										
Track Mechanic										
Station Supervisor										
Custodian, Equipment										
Customer Service Agent										

Compression Analysis

Salary compression is a challenge to the internal equity of an organization's compensation program and describes a condition where the pay differentials between employees with different experience, skills, organizational responsibility, or seniority are too narrow. Compression can occur when market conditions cause an organization to hire new employees at rates at or above the level of current incumbents in the same job. Compression can also occur when the actual pay of subordinate employees approaches, or even exceeds, the pay received by their managers or supervisors. In either case, the inequity caused by compression can negatively impact employee confidence in the pay structure, harm morale and reduce or eliminate the incentive for employees to seek career advancement through promotion to higher levels of responsibility.

Through the management audit interview process, PATCO managers universally cited salary compression as a challenge, especially in terms of the inequities in actual pay between supervisors and subordinates in some areas of the company and in the difficulty in providing incentives for employees to apply for higher level positions. The reasons cited for this difficulty include:

- Represented employees promoting into non-represented jobs assume responsibility for the payment of health insurance premiums (1.5% of salary) and for pension contributions (5.5% to 6.5% of salary) that they do not have to pay out of pocket as union members.
- Union members are, in many cases, earning substantial amounts of overtime pay that is generally unavailable to supervisory and management staff, who often work the same overtime assignments.
- The general policy of DRPA is to promote employees to the entry rate of the higher grade or require managers to pursue a justification process to allow hiring / promotion above the entry rate.

To assess the degree of compression present in the current PATCO pay structure, TTM completed the following analyses:

- The current actual average base pay for selected PATCO jobs was compared to the current actual average pay for the immediate supervisor. Where the subordinate earns 90% or more of the next higher supervisor or manager, that supervisor's job is deemed "compressed."
- The actual average base pay plus average overtime paid through mid-September 2015 to subordinate employees was compared to the average actual pay of the next higher level position in the subordinate's job hierarchy. Again, where the subordinate earned 90% or more than the supervisory job, the supervisor's job was considered compressed.
- The actual base pay for subordinate staff, "grossed up" to account for the added costs of pension and health insurance premium costs for represented staff, was compared to the minimum, midpoint, and maximum pay rates for the next higher supervisory position. Where

the “grossed up” pay equaled 100% or more of the entry, midpoint and maximum rate for the next higher level job, that higher level job was considered compressed.

Compression Analysis Results

The detailed schedule on the follow page shows the compressed jobs in each of the analyses described above. Specifically, TTM found that:

- Six jobs, or 10% of the total number of PATCO jobs included in the analysis, show evidence of salary compression with immediate subordinates earning 90% or more of the supervisor’s base pay on average. These include:
 - The Manager, Electrical and Electronics with the Electrical Foreman, Equipment earning a base salary equal to 93% of the Manager’s’ pay.
 - The Technical Services Supervisor, Equipment with two subordinate level jobs earning base salaries equal to 90% of more of the supervisor’s pay. These include the Manager, Mechanical and Custodial earning almost an identical salary to the Technical Supervisor and the Manager, Electrical and Electronics earning 90% of the Technical Supervisor’s base pay.
 - The Manager, Power and Signal Communications, with a Foreman at 93% of his base salary.
 - The Manager, Track and Signals, with a subordinate Foreman paid a base salary of 90% of the Manager’s base pay rate.
 - The Passenger Services Supervisor, whose subordinate Money Room Supervisor earns 92% of her base pay without considering overtime.
 - The Money Room Supervisor, with a Revenue Collector (position now vacant) earning 92% of the base pay of the supervisor.
- When overtime is added into the analysis, an additional seven instances of compression of actual salaries is observed, including:
 - Purchasing Agent (two subordinate jobs)
 - Dispatcher (compared to Transit Services Supervisor)
 - Supervisor, Transit Services
 - Mechanical Foreman, Equipment (two subordinate jobs)
 - Electrical Foreman, Equipment
 - Electrical Foreman, Way & Power
 - Maintenance Foreman, Way & Power (two subordinate jobs).



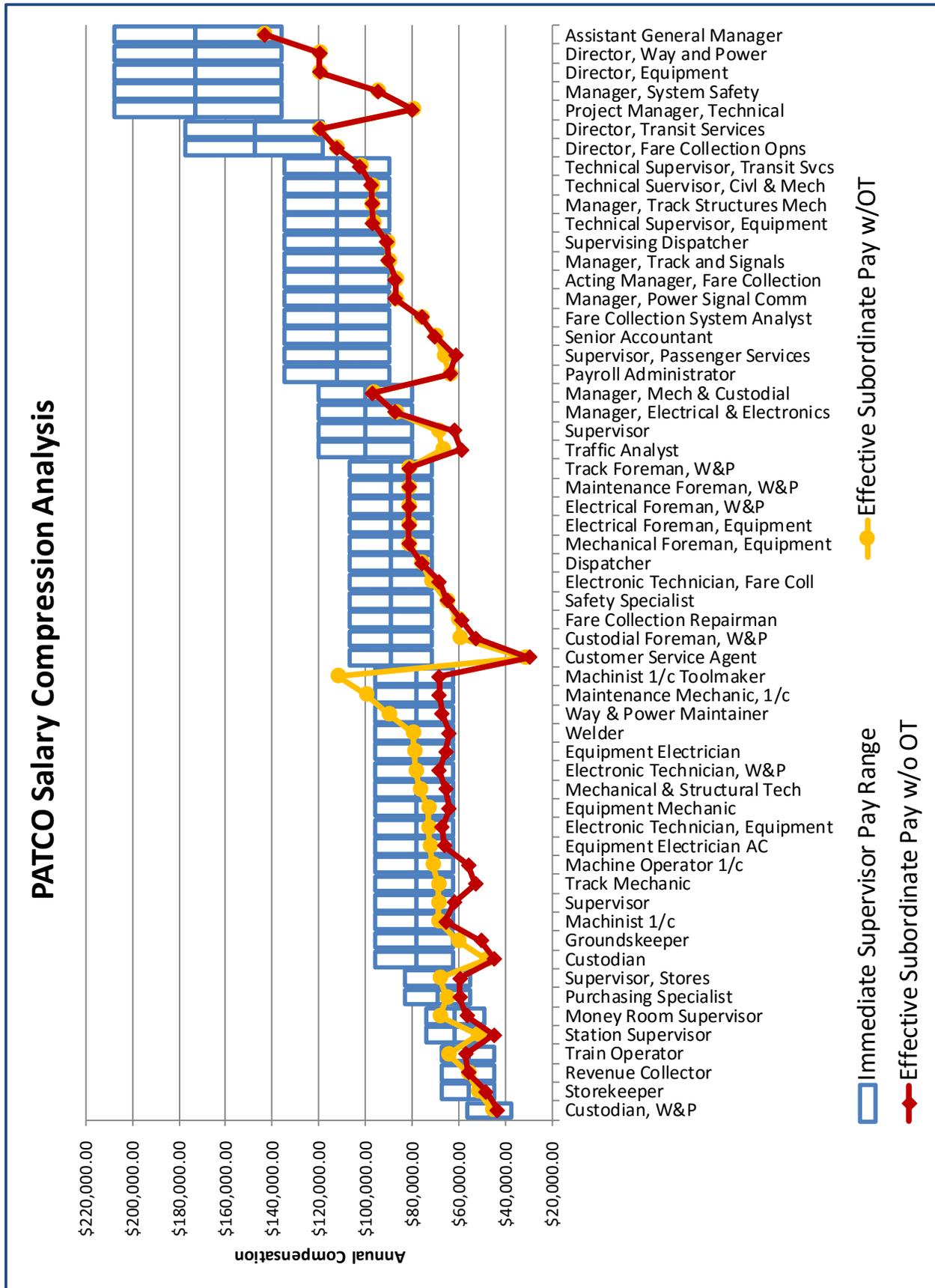
PATCO Compensation Compression Analysis

Department	Subordinate Title	Average Actual Pay	Average OT (2015 YTD)	+ Health Ins Cost (1.15% of Salary)	+ Pension Cost (6.5% of Salary)	"Grossed-Up" Compensation	Supervisor Title	Supervisor Average/Actual Pay	Subordinate Base Pay as a % of Supv Pay	Subordinate Base Pay + OT as a % of Supv Pay	Supervisor MIN	Supervisor MID	Supervisor MAX	Subordinate Base Pay + OT as a % of Supv MID	Subordinate Base Pay + OT as a % of Supv MAX
PATCO Management	Assistant General Manager	\$ 143,500.03	\$ -	\$ -	\$ -	\$ 143,500.03	General Manager	\$ 164,999.95	87%	87%	\$ 136,264.00	\$ 172,829.00	\$ 207,396.00	83%	69%
PATCO Management	Director, Equipment	\$ 119,899.94	\$ -	\$ -	\$ -	\$ 119,899.94	General Manager	\$ 164,999.95	73%	73%	\$ 136,264.00	\$ 172,829.00	\$ 207,396.00	69%	58%
PATCO Management	Director, Way and Power	\$ 119,899.94	\$ -	\$ -	\$ -	\$ 119,899.94	General Manager	\$ 164,999.95	73%	73%	\$ 136,264.00	\$ 172,829.00	\$ 207,396.00	69%	58%
PATCO Management	Manager, System Safety	\$ 94,862.77	\$ -	\$ -	\$ -	\$ 94,862.77	General Manager	\$ 164,999.95	57%	57%	\$ 136,264.00	\$ 172,829.00	\$ 207,396.00	55%	46%
PATCO Management	Project Manager, Technical	\$ 79,950.00	\$ -	\$ -	\$ -	\$ 79,950.00	General Manager	\$ 164,999.95	48%	48%	\$ 136,264.00	\$ 172,829.00	\$ 207,396.00	59%	39%
PATCO Management	Director, Transit Services	\$ 119,899.94	\$ -	\$ -	\$ -	\$ 119,899.94	Assistant General Manager	\$ 143,500.03	84%	84%	\$ 118,112.00	\$ 147,644.00	\$ 177,168.00	81%	68%
PATCO Management	Director, Fare Collection Ops	\$ 112,499.92	\$ -	\$ -	\$ -	\$ 112,499.92	Assistant General Manager	\$ 143,500.03	78%	78%	\$ 118,112.00	\$ 147,644.00	\$ 177,168.00	76%	63%
Finance	Fare Collection System Analyst	\$ 76,119.47	\$ -	\$ -	\$ -	\$ 76,119.47	Director, Finance	\$ 117,894.82	65%	65%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	62%	52%
Finance	Senior Accountant	\$ 70,181.77	\$ -	\$ -	\$ -	\$ 70,181.77	Director, Finance	\$ 117,894.82	60%	60%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	57%	47%
Purchasing	Payroll Administrator	\$ 63,986.62	\$ -	\$ -	\$ -	\$ 63,986.62	Director, Finance	\$ 117,894.82	54%	54%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	51%	42%
Purchasing	Purchasing Specialist	\$ 59,642.96	\$ 7,761.08	\$ -	\$ -	\$ 67,404.04	Purchasing Agent	\$ 70,279.04	85%	93%	\$ 59,699.00	\$ 69,375.00	\$ 83,249.00	94%	79%
Purchasing	Supervisor, Stores	\$ 59,642.96	\$ 8,819.97	\$ -	\$ -	\$ 68,462.93	Purchasing Agent	\$ 70,279.04	85%	97%	\$ 59,699.00	\$ 69,375.00	\$ 83,249.00	99%	82%
Purchasing	Storekeeper	\$ 48,351.14	\$ 3,623.78	\$ -	\$ -	\$ 51,974.92	Supervisor, Stores	\$ 59,642.96	81%	87%	\$ 47,990.00	\$ 55,987.00	\$ 67,184.00	116%	77%
Transit Services	Technical Supervisor, Transit Svcs	\$ 102,499.07	\$ -	\$ -	\$ -	\$ 102,499.07	Director, Transit Services	\$ 119,899.94	85%	85%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	91%	76%
Transit Services	Supervising Dispatcher	\$ 90,934.90	\$ -	\$ -	\$ -	\$ 90,934.90	Director, Transit Services	\$ 119,899.94	76%	76%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	81%	67%
Transit Services	Supervisor	\$ 61,996.32	\$ 7,059.49	\$ -	\$ -	\$ 69,055.81	Technical Supervisor, Transit Svcs	\$ 102,499.07	60%	60%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	86%	69%
Transit Services	Customer Service Agent	\$ 56,032.08	\$ -	\$ -	\$ -	\$ 56,032.08	Supervising Dispatcher	\$ 76,032.08	58%	58%	\$ 80,106.00	\$ 100,134.00	\$ 120,160.00	67%	56%
Transit Services	Supervisor	\$ 27,701.65	\$ 1,973.87	\$ 415.52	\$ 1,800.61	\$ 29,891.65	Supervising Dispatcher	\$ 76,032.08	30%	33%	\$ 71,377.00	\$ 89,221.00	\$ 107,066.00	45%	30%
Equipment	Train Operator	\$ 52,985.63	\$ 7,433.40	\$ 794.78	\$ 3,444.07	\$ 64,657.88	Supervisor	\$ 61,996.32	82%	91%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	111%	88%
Equipment	Technical Supervisor, Equipment	\$ 97,079.00	\$ -	\$ -	\$ -	\$ 97,079.00	Director, Equipment	\$ 119,899.94	81%	81%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	108%	96%
Equipment	Manager, Mech & Custodial	\$ 96,884.96	\$ -	\$ -	\$ -	\$ 96,884.96	Supervisor	\$ 119,899.94	100%	100%	\$ 80,106.00	\$ 100,134.00	\$ 120,160.00	121%	87%
Equipment	Mechanical Foreman, Equipment	\$ 87,191.73	\$ -	\$ -	\$ -	\$ 87,191.73	Manager, Mech & Custodial	\$ 97,079.84	90%	90%	\$ 80,106.00	\$ 100,134.00	\$ 120,160.00	109%	87%
Equipment	Mechanical Foreman, Equipment	\$ 84,487.00	\$ -	\$ -	\$ -	\$ 84,487.00	Manager, Mech & Custodial	\$ 96,884.96	84%	84%	\$ 80,106.00	\$ 100,134.00	\$ 120,160.00	114%	91%
Equipment	Electrical Foreman, Equipment	\$ 83,487.00	\$ -	\$ -	\$ -	\$ 83,487.00	Manager, Electrical & Electronics	\$ 96,884.96	93%	93%	\$ 71,377.00	\$ 89,221.00	\$ 107,066.00	114%	76%
Equipment	Mechanic 1/c Toolmaker	\$ 63,523.20	\$ 43,466.09	\$ 952.85	\$ 4,129.01	\$ 112,071.15	Manager, Electrical & Electronics	\$ 112,499.92	78%	131%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	189%	144%
Equipment	Electronic Technician, Equipment	\$ 62,322.40	\$ 2,913.60	\$ 934.99	\$ 4,051.61	\$ 73,232.59	Electrical Foreman, Equipment	\$ 81,487.00	76%	84%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	117%	94%
Equipment	Equipment Electrician AC	\$ 61,495.20	\$ 5,973.07	\$ 922.83	\$ 3,997.19	\$ 72,487.29	Electrical Foreman, Equipment	\$ 81,487.00	75%	85%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	116%	93%
Equipment	Equipment Electrician	\$ 60,923.20	\$ 13,465.72	\$ 913.85	\$ 3,960.01	\$ 79,262.78	Electrical Foreman, Equipment	\$ 81,487.00	75%	91%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	127%	102%
Equipment	Mechanic 1/c	\$ 60,923.20	\$ 3,236.55	\$ 913.85	\$ 3,960.01	\$ 69,033.61	Electrical Foreman, Equipment	\$ 81,487.00	75%	79%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	111%	88%
Equipment	Equipment Mechanic	\$ 59,488.00	\$ 9,213.14	\$ 892.32	\$ 3,866.72	\$ 73,460.18	Electrical Foreman, Equipment	\$ 81,487.00	73%	84%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	118%	94%
Equipment	Welder	\$ 59,488.00	\$ 15,526.00	\$ 892.32	\$ 3,866.72	\$ 79,773.04	Mechanical Foreman, Equipment	\$ 81,487.00	73%	95%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	128%	102%
Equipment	Custodian	\$ 41,380.91	\$ 3,667.81	\$ 620.71	\$ 2,689.76	\$ 48,359.29	Mechanical Foreman, Equipment	\$ 81,487.00	51%	51%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	77%	53%
Way & Power	Technical Supervisor, Civil & Mech	\$ 97,469.22	\$ -	\$ -	\$ -	\$ 97,469.22	Director, Way & Power	\$ 119,899.94	81%	81%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	108%	87%
Way & Power	Manager, Track Structures Mech	\$ 97,178.22	\$ -	\$ -	\$ -	\$ 97,178.22	Director, Way & Power	\$ 119,899.94	81%	81%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	108%	86%
Way & Power	Manager, Track and Signals	\$ 90,200.03	\$ -	\$ -	\$ -	\$ 90,200.03	Director, Way & Power	\$ 119,899.94	75%	75%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	100%	80%
Way & Power	Manager, Power Signal Comm	\$ 87,191.73	\$ -	\$ -	\$ -	\$ 87,191.73	Director, Way & Power	\$ 119,899.94	73%	73%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	100%	78%
Way & Power	Electrical Foreman, W&P	\$ 81,487.54	\$ -	\$ -	\$ -	\$ 81,487.54	Manager, Power Signal Comm	\$ 87,191.73	93%	93%	\$ 71,377.00	\$ 89,221.00	\$ 107,066.00	114%	91%
Way & Power	Maintenance Foreman, W&P	\$ 81,487.54	\$ -	\$ -	\$ -	\$ 81,487.54	Manager, Track Structures Mech	\$ 97,178.22	84%	84%	\$ 71,377.00	\$ 89,221.00	\$ 107,066.00	114%	91%
Way & Power	Track Foreman, W&P	\$ 81,487.54	\$ -	\$ -	\$ -	\$ 81,487.54	Manager, Track and Signals	\$ 90,200.03	90%	90%	\$ 71,377.00	\$ 89,221.00	\$ 107,066.00	114%	91%
Way & Power	Custodian Foreman, W&P	\$ 62,880.67	\$ 6,992.77	\$ -	\$ -	\$ 69,873.44	Manager, Track Structures	\$ 90,200.03	59%	66%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	83%	56%
Way & Power	Electronic Technician, W&P	\$ 63,523.20	\$ 10,187.63	\$ 952.85	\$ 4,129.01	\$ 79,792.69	Electrical Foreman, W&P	\$ 81,487.00	78%	90%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	126%	101%
Way & Power	Maintenance Mechanic 1/c	\$ 63,523.20	\$ 3,149.19	\$ 952.85	\$ 4,129.01	\$ 72,525.25	Maintenance Foreman, W&P	\$ 81,487.00	78%	116%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	160%	128%
Way & Power	Way & Power Maintainer	\$ 62,275.20	\$ 23,162.84	\$ 934.13	\$ 4,047.89	\$ 90,420.06	Maintenance Foreman, W&P	\$ 81,487.00	76%	108%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	145%	116%
Way & Power	Mechanical & Structural Tech	\$ 60,923.20	\$ 11,220.66	\$ 913.85	\$ 3,960.01	\$ 77,017.72	Maintenance Foreman, W&P	\$ 81,487.00	75%	89%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	123%	99%
Way & Power	Machine Operator 1/c	\$ 52,000.00	\$ 15,989.75	\$ 780.00	\$ 3,380.00	\$ 72,150.75	Track Foreman, W&P	\$ 81,487.00	64%	82%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	114%	91%
Way & Power	Track Mechanic	\$ 49,150.40	\$ 15,986.37	\$ 737.26	\$ 3,194.78	\$ 69,068.80	Track Foreman, W&P	\$ 81,487.00	60%	80%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	111%	89%
Way & Power	Groundskeeper	\$ 46,690.00	\$ 9,887.11	\$ 700.44	\$ 3,035.24	\$ 60,268.79	Maintenance Foreman, W&P	\$ 81,487.00	67%	69%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	97%	77%
Way & Power	Custodian, W&P	\$ 40,300.00	\$ 2,509.16	\$ -	\$ -	\$ 42,809.16	Custodian Foreman, W&P	\$ 52,880.67	81%	81%	\$ 62,426.00	\$ 78,033.00	\$ 95,639.00	122%	98%
Passenger Svcs & Fare Col	Acting Manager, Fare Collection	\$ 87,191.94	\$ -	\$ -	\$ -	\$ 87,191.94	Director, Fare Collection Ops	\$ 112,499.92	55%	59%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	97%	78%
Passenger Svcs & Fare Col	Supervisor, Passenger Services	\$ 61,550.32	\$ 2,219.64	\$ -	\$ -	\$ 63,769.96	Director, Fare Collection Ops	\$ 112,499.92	55%	78%	\$ 89,885.00	\$ 112,355.00	\$ 134,827.00	74%	65%
Passenger Svcs & Fare Col	Electronic Technician, Fare Coll	\$ 63,523.20	\$ 3,900.02	\$ 952.85	\$ 4,129.01	\$ 72,525.25	Acting Manager, Fare Collection	\$ 87,191.94	73%	77%	\$ 71,377.00	\$ 89,221.00	\$ 107,066.00	101%	81%
Passenger Svcs & Fare Col	Fare Collection Repairman	\$ 54,662.40	\$ 1,507.82	\$ 819.94	\$ 3,555.06	\$ 60,543.21	Acting Manager, Fare Collection	\$ 87,191.94	63%	64%	\$ 71,377.00	\$ 89,221.00	\$ 107,066.00	85%	68%
Passenger Svcs & Fare Col	Money Room Supervisor	\$ 56,582.03	\$ 11,717.52	\$ -	\$ -	\$ 68,299.55	Supervisor, Passenger Services	\$ 61,550.32	92%	111%	\$ 49,480.00	\$ 61,850.00	\$ 74,222.00	183%	110%
Passenger Svcs & Fare Col	Station Supervisor	\$ 45,027.61	\$ 7,193.02	\$ -	\$ -	\$ 52,220.63	Supervisor, Passenger Services	\$ 61,550.32	73%	85%	\$ 49,480.00	\$ 61,850.00	\$ 74,222.00	106%	84%
Passenger Svcs & Fare Col	Revenue Collector	\$ 51,906.40	\$ 19.71	\$ 678.60	\$ 3,373.92	\$ 56,078.62	Money Room Supervisor	\$ 56,582.03	92%	92%	\$ 44,790.00	\$ 55,987.00	\$ 67,184.00	125%	100%
Systems Safety	Safety Specialist	\$ 65,000.00	\$ -	\$ -	\$ -	\$ 65,000.00	Manager, Systems Safety	\$ 94,862.77	69%	69%	\$ 71,377.00	\$ 89,221.00	\$ 107,066.00	91%	73%

The graphic on the following page shows the relationship of actual average pay for the jobs included in the compression analysis, plotted against the pay ranges – as opposed to actual pay levels – of the job to which they report or in the next highest level in the compensation structure. Because the default salary administration practice is to assign promoted employees to the minimum rate of the new pay grade – though this policy can be waived with appropriate justification, review and approval - those employees earning more than that minimum rate when all factors are considered, including overtime, pension contributions and health insurance premiums, have little or no incentive to move up. This analysis was completed both with and without overtime considered. As shown in graph:

- 39 of the 58 job titles examined in this analysis average total effective compensation (base pay plus overtime, plus an adjustment for pension contributions and health premiums where applicable) are earning 100% or more of the entry rate for their supervisor’s job.
- Of those, 9 job titles average 100% or more of the midpoint of the supervisor’s pay range and 2 actually earn more than 100% of the supervisor’s maximum rate.

At the higher end of the pay structure, where the subordinate positions do not receive overtime and are already contributing to the pension and health plans, the plotted lines overlap on the graphic.



Conclusions

The limited market data review and the compression analysis confirms that PATCO faces challenges in both the external and internal equity of its compensation program:

- The existing range and grade structure for the non-represented jobs has not been updated for over five years and, apart from the recent 2.5% adjustment this year, actual pay rates have been largely static.
- Comparisons to other transit properties suggest that the non-represented structure is in the range of 8%-10% low, with some jobs even further out of synch with the apparent market.
- Actual pay levels of both represented and non-represented PATCO staff are likely to be significantly behind actual pay levels – as differentiated from structure – in the regional transit agency salary market.
- Compression in the compensation plan, especially on the margin between the higher paid Teamster's jobs and the non-represented supervisor and management jobs, creates a disincentive for experienced and capable employees to advance into the management ranks.
- The requirement for extraordinary review and approval for managers seeking to extend salary offers above the minimum of the established pay rates limits the organization's ability to mitigate the effects of compression in the pay structure.

Given the above, DRPA's decision to contract for a thorough, comprehensive and independent expert evaluation of the total compensation structure and administrative process is well-advised and the findings and recommendations produced through that effort should be considered as more authoritative than the analysis conducted for this management audit.

The next section of the Final Report presents the TTM audit team's findings and recommendations for the consideration of PATCO and DRPA management.

VII. FINDINGS AND RECOMMENDATIONS

This section of the Final Report presents the specific findings and recommendations that are the primary deliverable product of the PATCO management audit. The recommendations are intended to address the improvement opportunities developed over the course of the management audit and are offered as constructive suggestions for the improvement of the PATCO organization, operations and service delivery of the transit company over the long term.

Yellow Book audit 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 our audit objectives. As documented in this report and the appendices, we believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

Audit findings and recommendations are organized by topical areas to cover the elements of the audit scope, as follows:

- Organization and Management
 - Organizational structure
 - Duties and responsibilities of management staff
 - Management authority and spans of control
 - Staffing.
- Operational Efficiency and Effectiveness
 - Duplication and overlap
 - Operating costs
 - Reasonableness of salaries and benefits
 - Workflow.
- Policies, Practices and Compliance
 - Effectiveness of policies, processes and strategies
 - Standard operating procedures
 - Compliance.

Organization and Management

Findings and recommendations related to the organizational structure, management and staffing of PATCO, supervisory spans of control, management duties and responsibilities and areas of potential duplication and overlap are addressed in the following table. For each finding and associated recommendation (if any), an indication of which specific element(s) of the project scope addressed is also provided.

Finding	Recommendation	Scope Crosswalk
<p>ORG-1 The DRPA is in a period of organizational renewal and change.</p> <p>The DRPA Chief Executive Officer, with the support of the Board, has launched a wide-ranging effort to transform the culture of the Authority, including PATCO, and to modernize and upgrade its management systems and practices. New mission and vision statements have been crafted, emphasizing the importance of “stewardship” of the public resources the Authority is entrusted with and to broaden the conception of customers beyond “riders” and “users” to the broader public. An emphasis on innovation and the adoption of leading best management practices is also evident, as is a new culture of accessibility and openness on the part of managers and leaders in the organization. Among other important, transformational initiatives are:</p> <ul style="list-style-type: none"> • A multi-million dollar investment in leading enterprise technologies is nearing fruition, with a projected go-live date of January 2016, offering the opportunity to streamline business processes, improve the availability of information for management decision-making, and to foster accountability for results. • Further, a large-scale effort towards a strategic realignment of the organizational structure and the employee compensation program is also underway. 	<p>ORG-1 Continue and expand efforts to fully integrate PATCO into the broader structure of the Authority.</p> <p>PATCO leaders, managers and employees at all levels, many of whom have long considered themselves as “stepchildren” of the DRPA should embrace and support the further integration of PATCO into larger organization.</p> <p>The current senior leadership of PATCO understands and supports the CEO’s transformational agenda and, TTM believes, welcomes the recognition and integration of PATCO as a strategic asset of the DRPA. There are multiple DRPA-level initiatives that can become powerful levers of organizational and cultural change and as accelerators of the integration:</p> <ul style="list-style-type: none"> • The Enterprise Resource Planning software implementation will eliminate redundant / duplicative accounting and reporting systems and unite PATCO and DRPA on a common technology platform. • Cross-functional implementation teams blending PATCO and DRPA personnel are already in place. As end-user training and user acceptance testing commences, these, too, represent opportunities to promote interaction, idea sharing, etc. between and among the various organizational components of the DRPA enterprise. 	<ul style="list-style-type: none"> • PATCO governance • Org structure • Duties and responsibilities

Finding	Recommendation	Scope Crosswalk
<ul style="list-style-type: none"> A new Strategic Initiatives Department has been created with the specific charge of updating and upgrading the DRPA strategic planning process and the design and implementation of a strategic management system and processes. 	<ul style="list-style-type: none"> Adoption and implementation of a robust and rigorous change management discipline, not only for the ERP implementation but for the organizational / cultural transformation itself should be aggressively pursued. The CCI assessment of the organizational structure and compensation system represents another opportunity to consciously focus on improvement of the alignment and the identification of organizational synergies among and between the various functions of DRPA and PATCO. Assuring the internal equity of the compensation levels between the major operating units, the adoption of consistent titling conventions and similar decisions should be considered in light of their potential to drive needed change, reinforce organizational alignment and to “send a message” regarding the shared purposes and values of the DRPA and PATCO. Consolidating the upcoming DRPA strategic planning process with that of PATCO will help to ensure the compatibility and mutual interdependencies of the two modes of moving people across the Delaware River – toll bridges and rail – in terms of shared vision, mission, values and common operational goals and objectives. TTM suggests that, going forward, there need not be – should not be – separate strategies for PATCO and the DRPA but rather a unified strategy that recognizes the unique attributes and contributions of each element of the DRPA’s service portfolio. 	

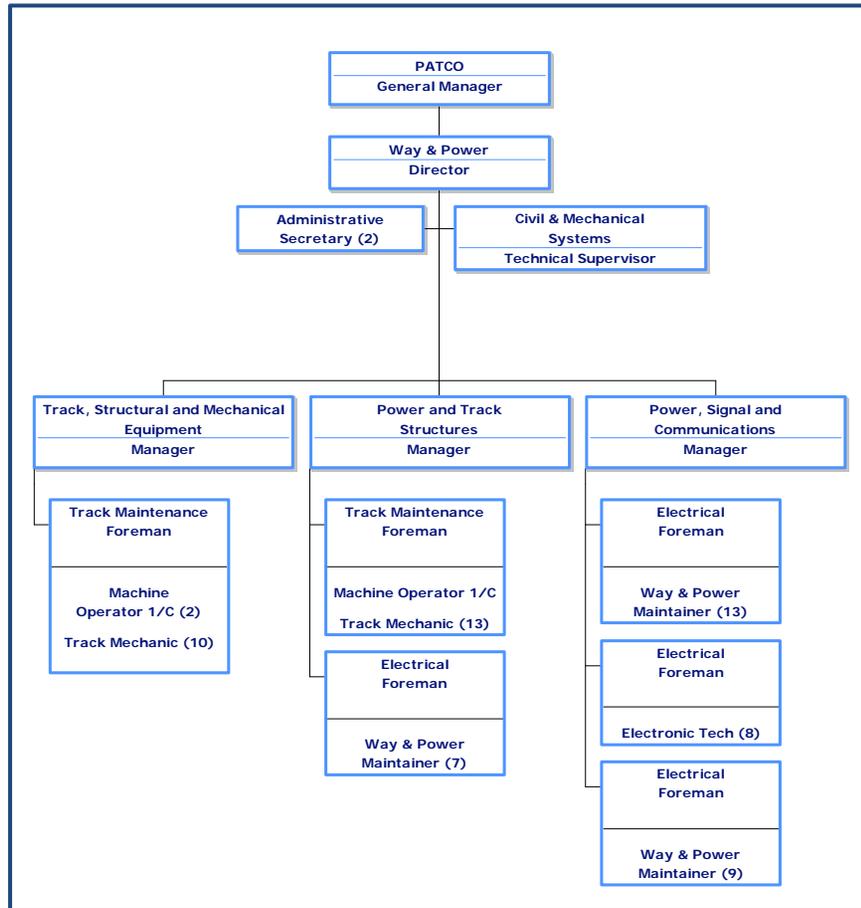
Finding	Recommendation	Scope Crosswalk
<p>ORG-2 PATCO’s strategic plan can be strengthened as an effective management tool.</p> <p>The 2014 PATCO strategic plan document is well done and includes the typical elements of a strong strategic plan including statements of mission and vision that have recently been revised to align with those of the DRPA and the emphasis on stewardship.</p> <p>While the strategic plan document itself is thorough, it is less clear that it has been an effective tool in organizing the efforts and resources of the company:</p> <ul style="list-style-type: none"> • It is separate and distinct from the DRPA strategic planning process, though there is an ongoing goal within PATCO to update and revise its plan to more closely align with the DRPA strategy in terms of vision, mission and values. • Direct management accountability for the accomplishment of the individual strategic goals and objectives – in the form of named accountable individuals for each - is not specified in the strategic plan. • Key performance indicators for each goal are not documented within the body of the plan document itself, although the creation and usage of a strategic set of such indicators is a specific objective of the plan. • The key performance indicators that are currently in use at PATCO are directly linked to operating departments, not strategic goals, representing a missed opportunity to promote cross-departmental collaboration and to create a visible indication of interdependencies of departmental operations in achieving PATCO’s strategic purpose. • It is further not clear that the strategic plan has had wide exposure within the PATCO organization. The General Manager’s monthly report does not specifically link to or reference the Strategic Plan. 	<p>ORG-2 Improve the alignment of the PATCO strategic planning process with that of the DRPA and strengthen its linkage to daily operational planning and performance management.</p> <p>PATCO should accelerate its efforts to realign – or replace, if appropriate – its statements of vision, mission and values – and critically review its adopted strategic goals and objectives in light of the stated priorities of the CEO. Additionally:</p> <ul style="list-style-type: none"> • As DRPA’s strategic planning and strategic management initiatives proceed, PATCO personnel should be fully integrated and involved, with the goal of creating a unified and integrated strategy covering the full range of the Authority’s services and capabilities. • Ensure development of a robust set of key performance indicators directly aligned to both the PATCO strategic plan goals and objectives and to the customer service and stewardship priorities of the CEO. • Furthermore, singular, accountable owners should be assigned, by name, to each of the strategic plan goals and objectives identified in the plan and assigned responsibility for tracking results and reporting on progress. 	<ul style="list-style-type: none"> • PATCO governance • Duties and responsibilities

Finding	Recommendation	Scope Crosswalk
<p>ORG-3 Managerial and supervisory spans of control are generally appropriate across the PATCO organization, with limited exceptions.</p> <p>The General Manager has a personal span of control of seven direct reporting managers and staff. The average managerial / supervisory span of control within PATCO, across all departments, is a reasonable six staff per supervisor. However some first line supervisors in Equipment and Way and Power have spans of control significantly above the average, up to as many as 19 employees reporting to a single supervisor.</p>	<p>ORG-3 Create lead-worker / “Senior” level roles in those units with excessive spans of control to provide “working supervisors” as needed.</p> <p>These include the crews assigned to many of the Foreman level supervisors in Way & Power and Equipment.</p> <p>While current PATCO practice includes the appointment of “Auxiliary Supervisors” to act as lead workers in the absence of a regular Foreman or Supervisor, with an incremental pay adjustment, these are not permanent assignments.</p>	<ul style="list-style-type: none"> • Org structure • Span of control • Duties and responsibilities
<p>ORG-4 Duties and responsibilities of PATCO managers and staff are clearly established.</p> <p>Job descriptions are clearly written and reasonable titling conventions appear to have been applied in most cases. Notable exceptions include:</p> <ul style="list-style-type: none"> • The roles and responsibilities of incumbents assigned to the title of Technical Supervisor appear to comport more with that of a Senior Manager or Assistant Director. Typically, the term “Supervisor” is considered subordinate to that of Manager. • Manager-level titles in Way & Power are wordy and cumbersome, with more specialized terms than typically assigned to a general management role. Title specialization can impede effective cross utilization of personnel and inhibit career growth. • The term “Foreman” is considered obsolete in many organizations, replaced by the gender-neutral term “Supervisor” or “Foreperson.” • A total of 74 unique job titles are presently in use at PATCO. With approximately 300 authorized staff, the average number of incumbents per job title is four employees. Multiple single incumbent positions exist, primarily at the supervisory level and up. 	<p>ORG-4 Streamline and simplify the current titling of PATCO positions.</p> <p>Particularly for non-represented management and supervisory roles, PATCO should seek to avoid narrow, constraining titles and classifications in favor of more “generic” titles that promote cross utilization and the development of broad skill sets.</p> <p>Additionally, consider the upgrade of the Technical Project Manager to the more appropriate level of “Manager.” Despite the absence of direct line supervisory responsibility, the organizational impact of the role is significant.</p> <p>These titling changes should be reviewed and considered within the context of the ongoing CCI staffing and compensation study</p>	<ul style="list-style-type: none"> • Duties and responsibilities

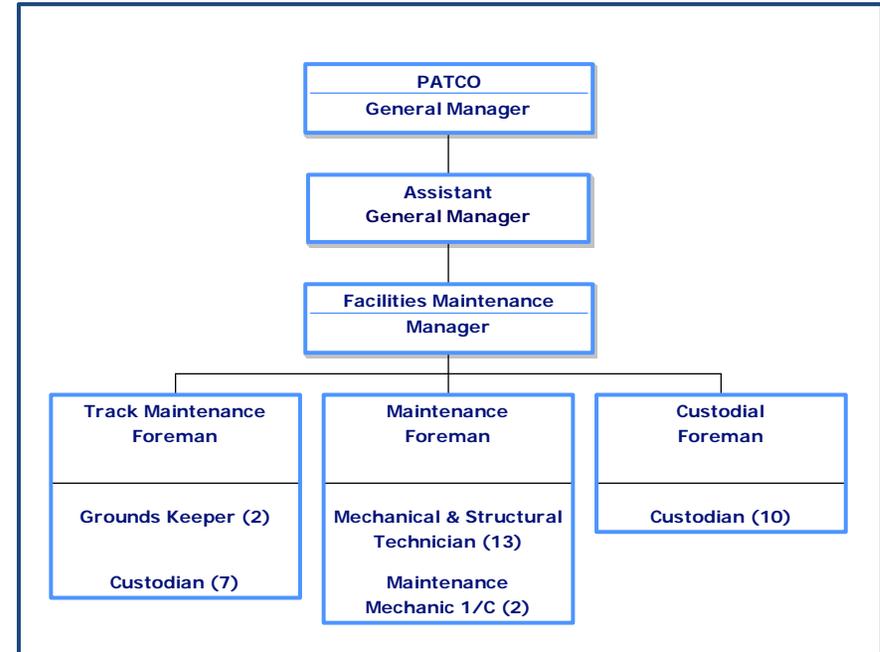
Finding	Recommendation	Scope Crosswalk
<p>ORG-5 Some PATCO managers appear to be under-classified given the nature of their duties and responsibilities.</p> <ul style="list-style-type: none"> The System Safety Manager, though not directly supervising managerial level personnel, reports directly to the General Manager and manages a critical business function with significant organizational and regulatory compliance implications. The Technical Project Manager in the General Manager’s Office carries a broad portfolio of strategic and operational special project assignments and duties. While assigned a “Manager” title, the position is allocated to a “Foreman” level pay grade. The Passenger Services Supervisor directly manages another Supervisor level position and should be considered for upgrade. The Fare Collection Maintenance Foreman was previously classified as an Acting Manager during the implementation of the Cubic fare collection system and was subsequently returned to the former level some significant time after the completion of the systems project. His role is central to the system’s ability to efficiently move passengers through the system and collect fares, is highly compensated and may be under-classified. 	<p>ORG-5 Review selected positions for reclassification and upgrade.</p> <p>These include the reclassification of the System Safety Manager to the Director Level, the upgrade of the Technical Project Manager, Passenger Services Supervisor and Fare Collection Maintenance Foreman to the Manager level.</p> <p>Human Resources Services has a process in place for the as-needed review of job titles and classification levels. However, at this time a comprehensive, Authority-wide evaluation of the entirety of the classification and compensation levels of all DRPA jobs is underway. Accordingly, the above-recommended classification changes should be reviewed and considered within the context of the ongoing CCI staffing and compensation study.</p>	<ul style="list-style-type: none"> Duties and responsibilities

Finding	Recommendation	Scope Crosswalk
<p>ORG-6 Way & Power is responsible for a broad range of services and activities and responsibilities, some only loosely related to its core purpose and function.</p> <p>Way and Power is the largest PATCO department with a wide range of functional responsibilities assigned, including several that go beyond the core maintenance of way and power role. These include the maintenance of PATCO buildings and building systems (electrical, HVAC, plumbing, etc.), station cleaning and grounds keeping, fleet maintenance and repair, parking lot maintenance, installation of station message board and signage and, increasingly, the safety-oriented support of capital projects addressed in another finding.</p> <p>Furthermore, the Department’s organizational structure appears to be more oriented to the time of day rather than the functional relationship of work. For example, Track Mechanics, Way and Power Maintainers and Custodians are organized under two different managers.</p> <p>The General Manager has proposed a restructuring of the Way & Power management to create an Assistant Director with line responsibility for all of the current Managers and the elimination of the vacant Technical Supervisor position.</p>	<p>ORG-6 Reorganize Way & Power to separate core responsibilities from ancillary support activities, creating an independent Facilities Management unit.</p> <p>TTM proposes establishing an independent PATCO department responsible for general maintenance support functions including the maintenance of stations, the Lindenwold facilities, parking lots and grounds as well as the fleet maintenance shop.</p> <p>This would result in the need for a Manager level position reporting to the Assistant General Manager, with a title of Facility Maintenance Manager or something similar, along with three Foremen, two on day shift and one on nights. It may be possible to reallocate and reclassify the vacant Technical Supervisor for Electrical Systems and Signal Maintenance to create this new Facility Maintenance Manager role without adding to the overall headcount. A proposed organizational chart is shown on the following page.</p> <p>A future refinement to this model that is worthy of consideration is the transfer of control of the PATCO fleet management function, consisting of two Maintenance Mechanic 1/C positions (one currently vacant) to the DRPA Fleet Operations unit. This would create a shared services model for the management of the non-rail car equipment fleet of the Authority and would facilitate standardization of fleet management practices, parts inventory management and cross-functional utilization of both personnel and facilities throughout the DRPA enterprise as needed. This would affect two Maintenance Mechanics.</p> <p>Adoption of the recommendation for a stand-alone Facilities Maintenance Department replaces the General Manager’s proposed organization plan for Way and Power.</p>	<ul style="list-style-type: none"> • Org structure • Workflow

Proposed Way & Power Organization



Proposed (New) Facilities Maintenance Organization



Finding	Recommendation	Scope Crosswalk
<p>ORG-7 Staffing levels across PATCO are widely perceived by employees, supervisors and senior managers as insufficient to meet workload demands.</p> <p>Their reasoning is that although the PATCO system itself has not grown since its inception, and that maintenance staffing levels have been stable over that time, the infrastructure itself is aging and requiring higher levels of maintenance and repair activity. Examples of the needs cited for additional personnel during the audit interview process include:</p> <ul style="list-style-type: none"> • An additional fare collection supervisor and maintenance worker to cover the night shift. • Six additional Dispatchers in Transit Services • Increasing the staff of Maintainers in Way & Power to 42, up from 29 currently authorized. • Five more Train Operators to achieve a staffing level of 57. • An unspecified number of additional personnel in Equipment but including additional maintenance personnel and a desire for additional Train Operators to move equipment in and out of the shop area. <p>No detailed manpower / staffing assessments or analyses were provided to support these stated needs, making it difficult if not impossible to evaluate their validity. However, it was observed that PATCO units chronically operate at less than fully authorized strength due to normal position vacancies and disability leave. At the time of this writing, PATCO had a total of 26 vacant positions, amounting to just under 8% of the authorized workforce strength.</p> <p>Represented workers can receive as much as five weeks of vacation leave and nine personal holidays off. Recruitment timelines can be protracted, some positions such as Operators and Dispatchers require extended training time - and existing</p>	<p>ORG-7 Expedite the filling existing vacancies and conduct detailed workload and staffing analyses in all PATCO departments to justify any additional staffing requirements.</p> <p>Until PATCO management has exhausted all remedies to ensuring the availability of personnel to fully staff the authorized personnel complement, and in the absence of sufficient analytical data to support additional personnel, TTM is reluctant to recommend specific increases in budgeted headcount. We have, however, identified specific staffing suggestions in other recommendations contained in this report.</p> <p>That said, the completion of detailed workload and staffing needs assessments in all safety-critical departments should be a priority. Over the years, largely in response to safety requirements, some tasks formerly performed by personnel working individually must now be conducted in “buddy teams” of at least two workers. One example of such is the daily track inspection program, now performed by teams rather than solo workers. To the extent that staffing shortages impact PATCO’s ability to achieve minimum required maintenance levels on the system’s infrastructure and equipment there is a regulatory compliance risk.</p>	<ul style="list-style-type: none"> • Staffing levels.

Finding	Recommendation	Scope Crosswalk
<p>staff and supervisors in the mainline maintenance services have been tasked with supporting private contractors performing major capital construction projects for the Authority.</p> <p>Finally, fiscal restraints have placed practical limits on PATCO's ability to secure approval for additional staff, although the CEO has made it clear that he will strongly consider well-supported requests for new headcount on a case by case basis.</p> <p>The resolution of these issues should take priority over headcount adjustments.</p>		

Finding	Recommendation	Scope Crosswalk
<p>ORG-8 The PATCO System Safety Department is not the ideal location for day-to-day management of the drug and alcohol compliance program.</p> <p>Administration of the drug and alcohol compliance program is duplicative of a companion program managed by DRPA Police and diverts resources from other activities that are not being completed in a timely manner including critical data acquisition and analysis, currently required by Element 9 of the System Safety Program Plan and 49 CFR 659. However the data requirements under 49 CFR 674 will increase exponentially, and will actually become the basis of PATCO's safety program per the statute.</p>	<p>ORG-8 Consolidate the Drug and Alcohol compliance program within the DRPA Police Department.</p> <p>Alternatively, consider contracting with SEPTA or New Jersey Transit for the management of drug and alcohol compliance activities. The efficacy of outsourcing / collaborating with other transit properties has been established in the current relationship with SEPTA for elevator/escalator services.</p>	<ul style="list-style-type: none"> • Org structure • Duplication and overlap • Process effectiveness • Compliance
<p>ORG-9 Customer Service Agents lack effective supervision.</p> <p>Customer Service Agents are supervised by the on-duty Supervising Dispatcher or Dispatcher in the absence of a Supervising Dispatcher. During peak morning and evening rush, or in the event of an incident on the line, the Dispatcher is busy and unavailable to address questions or concerns raised by the public and requiring escalation from the CSA to a higher level.</p>	<p>ORG-9 Consider reassignment of Customer Service Agents to the Passenger Services unit.</p> <p>Customer Service Agents provide a wide range of information and support to system users. Many of the calls relate to issues / problems with ticket vending machines, station access, schedules and the like, and the dispatching of TVM trouble calls to the fare maintenance staff. These tasks are more closely aligned with the passenger services function provided by the Station Supervisors and the Transit Ambassadors. The first line of escalation should be to the senior on-duty Station Supervisor and then to the Dispatcher / Supervising Dispatcher in the absence of a Station Supervisor or in the instance of a problem that a Station Supervisor cannot resolve.</p>	<ul style="list-style-type: none"> • Org structure • Process effectiveness • Workflow

Operational Efficiency and Effectiveness

Findings and recommendations related to the efficiency and effectiveness of PATCO operations are contained in this section. Included are improvement opportunities related broadly to areas of duplication and overlap of functions, operating costs, the reasonableness of the compensation structure (including the risk of salary compression), and the results of a high-level examination of departmental workflows and the associated issues, constraints and opportunities. For each finding and associated recommendation, an indication of which specific element(s) of the project scope addressed is also provided.

Finding	Recommendation	Scope Crosswalk
<p>OPS-1 Work management processes across PATCO are in need of improvement.</p> <p>Work order management and record keeping is largely manual and paper based. Examples include:</p> <ul style="list-style-type: none"> • Other than a preplanned check list-type work package used for documenting performance of and compliance with scheduled rail car equipment inspections, there is no defined work order system or documentation process in place that accounts for overall lifecycle vehicle performance and historical documentation of scheduled, unscheduled and corrective maintenance for a given vehicle, or for the fleet collectively. Managers do however, selectively capture information deemed significant for reference or historical purposes. • Equipment employees are given daily work assignments on a slip of paper at the beginning of each shift. The employee then reports back to his reporting official when the task is completed. The shift Manager, or appropriate Foreman, ensures the correct number of labor hours are accounted for. • Track inspections are performed twice weekly by inspectors and once weekly by Foremen. A “Weekly Track Inspection Progress Report” is prepared for use in the Track Maintenance Department. Track inspections are reported at the Safety Coordinating Committee and inspection charts are available to Managers and Foremen. 	<p>OPS-1 Implement automated work order management technology.</p> <p>This is a significant aspect and benefit of the impending SAP enterprise resource planning software implementation. Once fully functional, work order processes will be automated, assignments / tickets electronically routed and labor hours and parts utilized will be captured on tablet computers. Data retrieval and analysis to support management decision making and meeting regulatory requirements will also be automated through both standard and custom / ad hoc reporting tools.</p> <p>Over time, with accurate cost and workload data, the company’s ability to predict its staffing and other resource requirements should be significantly enhanced.</p>	<ul style="list-style-type: none"> • Process effectiveness • Workflows

Finding	Recommendation	Scope Crosswalk
<ul style="list-style-type: none">• Way and Power equipment is inspected on a weekly basis, but there does not appear to be an organized and established approach for ensuring the rail system and switch gear are adequately inspected, maintained, and documented.• There does not appear to be an established scheduled maintenance plan for track maintenance or wayside equipment. Completed maintenance documentation was not available to verify compliance with weekly inspections• No documents were available or reviewed for scheduled or unscheduled maintenance of wayside communication equipment.		

Finding	Recommendation	Scope Crosswalk
<p>OPS-2 Coordination and planning between and among Transit Services, Way and Power and Equipment needs improvement.</p> <p>Transit Services considers the Equipment and Way and Power department its primary service providers, the former providing the needed daily cars in operable condition and the latter ensuring that the track is operational. Similarly, Equipment and Way and Power view Transit Services as one of their customers.</p> <p>Nevertheless, there is some natural tension in the system, with Transit Services focused on maximizing its ability to schedule and operate revenue service, while the Equipment and Way and Power teams are focused on the quality and completeness of their work and the safety that quality provides for the public. Transit Services wants cars and available track, Equipment wants serviceable and safe cars, Way and Power wants operable and safe passage for the trains.</p>	<p>OPS-2 Continue efforts to ensure coordination, collaboration and teamwork among the various departments most directly involved in rail operations and service delivery.</p> <p>The recent implementation of a weekly “track allocation” meeting is reported to be helpful in balancing the needs of Transit Services to operate the schedule and Way and Power’s need to have access to the track for maintenance. Participants in the track allocation meeting include the General Manager, Assistant General Manager, DRPA Engineering, Transit Services Director, Way and Power Director and the System Safety Manager. The final track allocation decisions are made by the General Manager.</p> <p>Way & Power should consider alternative scheduling models for the inspection and maintenance of track, power and signaling equipment. These should include the possibility of reconfiguring schedules to have crews permanently assigned to work during off-peak hours – nights and weekends – to minimize impacts on the schedule and transit riders.</p>	<ul style="list-style-type: none"> • Duties and responsibilities • Process effectiveness

Finding	Recommendation	Scope Crosswalk
<p>OPS-3 Significant Way & Power resources are diverted to support capital improvement projects.</p> <p>Way and Power’s authorized strength is rarely achieved due to existing vacancies at all levels of the department and to the requirement to supply personnel to support ongoing capital improvement projects. Specifically, Way and Power personnel are reassigned from their regular duties to protect PATCO assets and contractor personnel in the role of “flaggers” at each end of the job site, “pilots” to assist contractor personnel moving their equipment on PATCO track, and other site protection and contractor oversight duties. These personnel are compensated on an overtime basis and their costs are covered through the allocation of their time to the capital project budgets.</p> <p>The loss of these resources from their other assignments can strain Way and Power’s ability to complete its scheduled preventive maintenance work or needed repairs and may risk a safety failure.</p> <p>Workers assigned to this duty can accumulate significant amounts of overtime hours and pay, often exceeding the total gross pay of their immediate supervisors. Through the first half of September of 2015, overtime costs in the Way & Power Department exceeded \$1.2 million and accounted for over half of the total PATCO overtime expense for the same period. While not all of this overtime was expended on capital project support, much of it was.</p> <p>The requirement to support these projects is also requiring managers and supervisors to adjust their schedules to cover nights and weekends.</p>	<p>OPS-3 Develop alternative approaches to the provision of flagging and PATCO asset protection support to capital improvement projects.</p> <p>The consensus view of PATCO managers is that this need is not just a temporary one. There are planned capital projects on the books that will necessitate having such a capability for the foreseeable future.</p> <p>There are at least three straightforward alternative approaches to resolve the issue of the resource drain on Way and Power crews to support capital projects:</p> <ul style="list-style-type: none"> • Increase the authorized staff headcount to establish a full-time “project safety” crew to perform these tasks, working flexible schedules based on project needs, with costs charged directly to the capital budgets. • Build the requirement to provide flagmen and other safety personnel into the contractor’s obligations. Under this alternative, it would likely still be necessary to provide a PATCO worker on the project site to supervise the contractor personnel and to protect PATCO assets. Training of contractor personnel would also be needed. • Hire part-time / temporary staff to work on an hourly rate basis, perhaps staffed by former / retired employees of PATCO or other area rail systems. <p>To the extent that managerial and supervisory personnel are assigned extraordinary overtime responsibilities in support of the Ben Franklin Bridge or other capital projects, PATCO / DRPA should ensure that they are equitably compensated in the form of over-time pay, compensatory time off, or some other method. These costs can / should be capitalized to the cost of the capital project supported.</p>	<ul style="list-style-type: none"> • Operational costs • Staffing levels

Finding	Recommendation	Scope Crosswalk
<p>OPS-4 Storage space for the equipment parts inventory is currently inadequate.</p> <p>Transition to the newly refurbished rail cars being delivered by Alstom has resulted in delivery of many provisional and capital spare components, large and small. These parts must be stored and managed along with the inventory for the older cars, resulting in further space limitations. In addition, transit trucks removed from approximately 28 rail cars in the rehabilitation program are staged in the shop. Usable space within the facility will be virtually nonexistent until the last of the 120 car fleet is modified and delivered. Crowded conditions have created the need for an increased level of safety awareness by all employees.</p> <p>In the long term, DRPA/PATCO plans to implement a robust Transit Asset Management program – see subsequent finding below - that could significantly increase the requirement for component overhaul back shops, to Include a clean room for maintenance of certain electronic assemblies.</p>	<p>OPS-4 Consider renting portable storage modules to safely and securely house all assets being delivered to support the new rail vehicles.</p> <p>DRPA/PATCO should also consider performing an internal study, or contracting with a facilities /space management consulting source to study the current shop configuration, and to recommend opportunities for space-saving moves to relieve inside congestion and mitigate inherent safety issues.</p>	<ul style="list-style-type: none"> • Process effectiveness

Finding	Recommendation	Scope Crosswalk
<p>OPS-5 Controls on the truck overhaul parts inventory need improvement.</p> <p>During the audit field work, the TTM team was shown a large number of replacement parts intended for application in the overhaul of the rail car truck assemblies stored in open containers on the shop floor. These parts are purchased under a “planned issue” program for the rehabilitation project and are ordered in bulk, received into the storeroom inventory and then immediately issued to the Equipment Department. Equipment Department management noted that the mechanics may use a part from the planned issue inventory – a capital expense – and apply those parts to a routine repair, which are accounted for as operating costs.</p> <p>The planned issue parts account for approximately \$350,000 of the \$5.5 million inventory in the PATCO storeroom.</p> <p>Other observations regarding the management of truck components include:</p> <ul style="list-style-type: none"> • Vital relays – part of the automatic train control functionality - are the only components controlled by serial number, and the only component changed out on a scheduled basis. • AB valves are changed on a scheduled basis. • Replaced components are overhauled in the appropriate back shop and placed back into the supply system for use as needed, but little information is retained on the life-cycle history of any given component. (Vehicle reliability, availability and service delivery can be negatively impacted when a chronic failing component continues to be placed in service, and no record is kept of the vehicles asset on which it was installed). <p>Under the future transit asset management model, FTA requirements and industry standard best practices expect that components will be controlled by serial number or barcoding to</p>	<p>OPS-5 Provide for secure storage for truck overhaul parts and develop procedures for improved asset control.</p> <p>The Equipment Director has identified a temporary solution for the secure storage for the overhaul parts inventory. There is available space in the Lindenwold Annex maintenance facility that can be secured under lock and key. Planned issue parts can be stored there. However, there will not be storeroom staff to issue these parts.</p> <p>Going forward, Equipment and the storeroom should consider the creation of overhaul “kits” of the typical parts required for a truck overhaul, capture the serial numbers or bar codes of the components included in each kit, and provide for traceability of the truck assembly to which the kit was applied.</p>	<ul style="list-style-type: none"> • Process effectiveness • Cost control • Compliance

Finding	Recommendation	Scope Crosswalk
<p>allow traceability to their ultimate application. These must be specifically identified and a maintenance schedule defined.</p> <p>As the rail car fleet changeover proceeds, during rail car commissioning, and prior to acceptance and release to service of each car pair, serial numbers / bar codes should be recorded in the asset management system for all components requiring scheduled maintenance.</p>		

Finding	Recommendation	Scope Crosswalk
<p>OPS-6 DRPA and PATCO are in the process of developing and documenting a formal Transit Asset Management program</p> <p>A draft of a DRPA/PATCO Asset Management Plan, responsive to the requirements and expectations of Federal regulators, has been prepared by the Delaware Valley Regional Planning Commission in collaboration with Authority staff. The Federal guidelines, once fully implemented, will require that PATCO develop and document detailed programs to effectively maintain the transit system’s physical assets – rail cars, tracks, facilities, etc. – in a “state of good repair” through the application of maintenance lifecycle data and reporting against established performance measures. As described in the draft plan, the transit asset management process involves establishing a baseline understanding of the current state of good repair of PATCO’s assets, establishing documented repair and replacement lifecycle, prioritizing repair and replacement needs and linking those needs to the capital budgeting process.</p> <p>Way and Power and Equipment are the PATCO Departments most directly impacted by the transit asset management program and, given resource constraints, will likely be challenged to comply with the extensive data management and reporting requirements.</p>	<p>OPS-6 Thoroughly assess the impacts on PATCO staffing, processes and technology required to fully implement Transit Asset Management.</p> <p>To the extent possible, DRPA/PATCO expects to leverage and utilize the asset management functionality and capabilities of the new SAP enterprise resource planning software package as the principal technology tool to support TAM. Equipment mechanics and maintenance technicians will have access to tablet computers for the capture of all relevant maintenance data. Over the long term, this data will be readily available to support management decision making and to adjust maintenance practices, schedules and procedures based on observed trends and historical data on asset performance, failures, etc.</p>	<ul style="list-style-type: none"> • Process effectiveness • Cost control.
<p>OPS-7 Limited skills of the Fare Collection Repairman position impedes the efficiency of the Fare Collection Maintenance Unit.</p> <p>Fare Collection Repairmen can perform the most basic of TVM and passenger gate repair work and lack the training and skills to complete assignments requiring an Electronics Technician. As fare collection technology continues to advance, higher level skill sets will be required.</p>	<p>OPS-7 Over time, phase out the Fare Collection Equipment Repairman job and transition to 100% staffing at the Technician level.</p> <p>This migration to the higher level skills will improve the overall efficiency and effectiveness of the utilization of fare collection maintenance personnel by having multi-capable staff to deploy on the full range of maintenance and repair tasks.</p>	<ul style="list-style-type: none"> • Workflow • Staffing levels

Finding	Recommendation	Scope Crosswalk
<p>OPS-8 Elevated levels of lost-time injuries compared to peer agencies have been experienced at PATCO.</p> <p>This information was supplied in an interview with the System Safety Manager, although he is not able to cite specific statistics that prove this observation due to differences in data collection and reporting methodologies. PATCO data is reportedly collected primarily to support the claims management process and not for the purpose of designing and implementing injury reduction programs. Injury reports prepared by supervisors are reported to be deficient in their analysis of causal factors, most simply citing employee error. One cause of high injury rates could be related to staffing / vacancies in the Way & Power and Equipment departments, or lack of resources allocated to update tools and equipment.</p> <p>A contributory factor may be that federal and state industrial safety requirements are not enforceable under NJ law due to “opt-out” under Section 4 of the Occupational Safety and Health Act of 1970. However, PATCO could voluntarily adopt federal or NJ state occupation safety and health requirements and enforce them.</p>	<p>OPS-8 Ensure adequate staffing in Equipment and Way and Power and conduct job hazard analyses for the maintenance functions (rolling stock, infrastructure & facilities).</p> <p>The PATCO Safety Manager agrees that PATCO should adopt and enforce OSHA safety requirements and cites multiple likely causes of injury rates. These include:</p> <ul style="list-style-type: none"> • An aging workforce. • Reluctance to use material handling equipment and certain power tools. • Cramped work spaces and outdated / under-sized facilities. • Supervisor’s lack of training in injury prevention. <p>The implementation of more rigorous job hazard analysis and improved reporting in the coming ERP system will help on the reporting and analysis side.</p> <p>PATCO should also perform life-cycle planning for its tools and support equipment, and cost benefit analysis to compare use of updated equipment and tools against lost-time. Resources can then be planned over time to replace equipment that is beyond its useful life or upgrade to safer and more modern equipment and ensure the reduction of the lost-time injuries as far as possible.</p>	<ul style="list-style-type: none"> • Safety • Operational costs

Finding	Recommendation	Scope Crosswalk
<p>OPS-9 The process for the recruitment and selection of employees is unnecessarily time consuming and complex.</p> <p>A detailed, step-by-step recruitment and selection process has been established and documented. In response to prior management audit findings, HRS has flow-charted the process and estimated the targeted, best case lapsed time between each step. Furthermore, the flow chart analysis identifies those tasks that are the responsibility of the hiring department, HRS and the office of the Chief Executive Officer and further references the applicable HRS standard operating procedure document. Additionally, HRS prepares and provides to PATCO a regular spreadsheet report depicting the current status of each recruitment / selection process currently underway.</p> <p>A total of 24 discrete steps are currently required. In summary terms these tasks support:</p> <ul style="list-style-type: none"> • Submittal, review and approval of a vacancy notice and validation of the job description, ending with the authorization to post the vacancy for recruitment. • Receipt, initial screening and referral of qualified candidates for consideration. • Establishment of an interview panel in the hiring department and a short-listing of qualified candidates for interview. • Completion of interviews and any required testing. • Assessment and documentation of interview and testing results. • Submittal, review, correction and finalization of a recommended selection. • Final hiring decision by the Chief Executive Officer. 	<p>OPS-9 Streamline and accelerate the recruitment and selection processes.</p> <p>Each of the sources of delay cited in the finding should be critically explored and reexamined.</p> <ul style="list-style-type: none"> • For difficult to fill / high turnover positions, DRPA should identify those jobs that should be designated for a continuous recruitment process, without regard to the posting of an opening, such that qualified candidate lists can be quickly assembled on an as-needed basis. • Job specifications should be scrubbed for unnecessary minimum qualification standards that unreasonably limit the candidate pool and managers and supervisors should make participation in interviews and the completion of candidate evaluations a priority. • Managers and supervisors participating in recruitment and selection processes must attach importance and priority to their roles. They cannot on the one hand complain that the process is excessively long and burdensome and on the other hand neglect their own role in it. • The CEO should remove himself from all but the most senior and sensitive hiring decisions and delegate hiring authority for mid-level and lower level staff to subordinate members of the management team, subject to quality and compliance review by Human Resources. If there are specific parameters and targets to be met in terms of the diversity of the workforce, those standards should be communicated, measured and enforced. • Similarly, the Board of Commissioners should reconsider its appropriate role in the hiring process and establish measurable workforce composition requirements and then hold the CEO to that standard. 	<ul style="list-style-type: none"> • Process effectiveness • Workflow

Finding	Recommendation	Scope Crosswalk
<p>Based on a review of timeline data provided by Human Resources Services for 18 completed PATCO selection processes in 2015, the average elapsed time from the submittal of a vacancy notice (a request to fill a vacancy) to the CEO's selection decision is 217 calendar days, or 31 weeks. The range of total elapsed time to fill a position was from 7 weeks for the selection of a Technical Supervisor for Equipment Services to 63 weeks for two Custodian positions whose offers were subsequently rescinded. By key step in the overall process, the average days between steps in the sample provided were as follows:</p> <ul style="list-style-type: none"> • 23 days from vacancy notice to posting of the position. This step requires review and sign off from HR, Finance, the CAO and the CEO and notice to the Board Chair and Vice Chair. • 13 days from posting to close of the posting period, or two weeks. • 55 days from closing to complete the screening for minimum qualifications, which may or may not include a testing step. • 41 days from the referral of candidates meeting minimum qualification standards to the completion of interviews. • 21 days from the completion of interviews to the completion of the required written candidate assessment forms. • 23 days from the completion of the assessment process to the submittal of the results and a recommendation to the CEO for the final hiring decision. • 30 days from the receipt in Human Resources of the recommendation report to the CEO's selection, including a review by the CEO and, depending on the level of the position, a notice to the Board Chair and Vice Chair. (Certain higher level positions require Board approval, although none in this sample were at that level.) 	<ul style="list-style-type: none"> • Finally, DRPA should critically examine its recruitment sources, advertising and outreach efforts. Direct outreach to targeted populations, such as former military members seeking civilian employment as the armed forces are downsized, should be actively pursued. 	

Finding	Recommendation	Scope Crosswalk
<p>Reasons often cited for length of the process include:</p> <ul style="list-style-type: none"> • Lack of qualified applicant pools that exceed the minimum “knock-out” standards for selection. • Difficulties in assembling and scheduling interview panels due to schedule conflicts. • Delays in the completion of candidate evaluation materials. • Lack of manager confidence in the Silk Road automated application screening software, driving some to request larger candidate pools than necessary for the interview process. • Applicant failures of pre-selection tests. • The CEO personally makes all hiring decisions and is directly involved at both ends of the selection process, authorizing the posting of job vacancies and making the final hiring decisions based on the recommendation of subordinate staff. • Hiring / selection decisions for positions at the Manager level or above – approximately 3-4 levels down in the DRPA structure - require review and approval by the Board of Commissioners or the Labor Committee of the Board. <p>Due to the public / political sensitivity around the need to ensure a diverse workforce, including a representative share of DRPA / PATCO jobs held by residents of the states of New Jersey and Pennsylvania, it appears that the hiring and selection process is more focused on risk reduction and protest avoidance than on the selection of the best possible candidates for employment in the most timely and efficient way.</p> <p>Responsibility and accountability for the timely filling of vacancies is shared between the hiring department and HRS. For the process to work as designed, all parties must meet their particular obligations.</p> <p>Although there may be valid reasons for some of the extended time delays inherent in a public sector hiring process, these</p>		

Finding	Recommendation	Scope Crosswalk
<p>delays from vacancy to fill in a highly resource constrained and safety sensitive environment should not be tolerated. Furthermore, the Authority is unlikely to be hiring the most qualified candidates for these jobs, as the very best candidates are the most employable and will accept competing job offers before DRPA can complete the process.</p>		
<p>OPS-10 Procurement timelines are unnecessarily long.</p> <p>As revealed in the support services satisfaction survey and in employee and supervisory interviews, the procurement process is seen as lengthy and inefficient.</p> <p>Under current policy, the PATCO General Manager has authority to purchase goods or services under \$25,000 total cost with the approval of the Purchasing Agent. At \$25,000 or above, formal advertised bids are required and award must be approved by the CEO and the Board of Commissioners and, following Board approval, are exposed to the potential for a gubernatorial veto.</p> <p>A review of these so-called “formal contracts” for 2014 showed that the average elapsed time from bid to award was 205 days, or just under seven months elapsed time. The range of elapsed time for the reviewed contracts was from a low of 72 days to a high of 387 days. The average amount of time accounted for in the securing of Board approval for the contracts reviewed was 42 days, with approximately 21 additional days required for the mandated veto period.</p>	<p>OPS-10 Increase purchasing thresholds and delegate additional purchasing authority to the General Manager.</p> <p>Under current policy, Board approvals for contracts in the middle range of \$25,000 to \$99,999 can be grouped together for Board approval with a single vote (unless pulled for individual consideration at the request of a member). The Board should consider delegation of approval authority of purchases in that range to the CEO, with an advisory summary of such activity to the Board on a periodic basis.</p> <p>In 2014 PATCO processed 12 contracts valued between \$25,000 and \$100,000 and only two at or above \$100,000. For 2015 to date, there have been seven contracts between \$25,000 and \$100,000 and four at or above \$100,000. The contracts in the middle range could be processed with approximately two months less delay under the proposed model.</p> <p>TTM also suggests that the PATCO General Manager’s authority threshold be increased to a minimum of \$50,000.</p> <p>All procurements are subject to audit by the Inspector General.</p>	<ul style="list-style-type: none"> • Management authority • Process effectiveness

Finding	Recommendation	Scope Crosswalk
<p>OPS-11 Procurement cards are not in wide use within PATCO.</p> <p>The Equipment Department is currently authorized procurement cards to support their small purchases of needed items for rail car maintenance and repair. Other PATCO departments are not doing so at this time.</p>	<p>OPS-11 Implement procurement cards for Way & Power and other PATCO departments in connection with the ERP rollout.</p> <p>Procurement cards are an effective and efficient way to streamline and simplify small dollar purchases.</p>	<ul style="list-style-type: none"> • Process effectiveness
<p>OPS-12 Core administrative technology systems are antiquated and redundant across DRPA / PATCO antiquated, but soon to be replaced.</p> <p>The current Finance, Purchasing, Human Resources, Work Order and Maintenance Management systems are schedule for replacement under DRPA's ongoing Enterprise Resource Planning upgrade program (Project BOOST). Modern systems will replace and consolidate the functions currently managed by Unisys software at PATCO and Banner at DRPA. Both of these systems have been in place for many years in their respective agencies, have duplicating and overlapping capabilities and are not fully integrated with one another. This change is an eagerly-awaited improvement that will significantly modernize PATCO's core administrative technologies, will introduce mobile computing on a significant scale and will provide improved access to information for operational planning, management and internal control.</p> <p>Finance and Purchasing staff members assigned to PATCO but accountable to their counterpart organizations at DRPA will, once the new ERP is implemented, share a common technology platform with enhanced functionality and integration. Over time, the need for full-time dedicated staff on the PATCO premises for some or all of these functions may be diminished.</p>	<p>OPS-13 Over time, as the new ERP systems mature and stabilize, consolidate and reduce (or eliminate) the dedicated Finance, Payroll and Purchasing staff assigned to support PATCO.</p> <p>The implementation of tightly integrated enterprise resource planning software modules eliminates the need to support multiple applications and the associated staff skill sets and can enable the migration to a true "shared service" model of back-office operation.</p>	<ul style="list-style-type: none"> • Duplication and overlap • Process effectiveness • Org structure

Finding	Recommendation	Scope Crosswalk
<p>OPS-13 The original go-live date for the Enterprise Resource Planning system has been delayed.</p> <p>The original go-live target was for October 1, 2015, subject to the organization’s readiness and the successful completion of all user acceptance testing. The DRPA leadership made the strategic – and correct, in our view - decision to delay the implementation in order to assure that not only is the software performing as expected but also to ensure that users are fully oriented and trained in the new systems before they enter production.</p> <p>Over the course of the management audit, TTM team members observed high levels of excitement and anticipation about the capabilities and functions of the new SAP enterprise resource planning software system. PATCO employees were and are actively involved in the project. However, at lower levels of the PATCO organization there was less knowledge of the project and particular questions as to how individual workers would be impacted. At the time of our field work, no end-user training had yet to be delivered.</p> <p>(NOTE: The actual go-live date was January 4, 2016.)</p>	<p>OPS-13 Ensure that PATCO employees at all levels are fully trained in the new ERP system and associated business processes before migrating to the upgraded technology.</p> <p>The implementation of the SAP ERP software will involve significant changes to the way many PATCO employees work and represents a significant risk to the organization in terms of the effective deployment and user acceptance of the new, technology-enabled business processes.</p> <p>Many years of research into the attributes of ERP emphasize several common themes. These almost always include, among others, the importance of following:</p> <ul style="list-style-type: none"> • Strong executive sponsorship. • Competent project management. • Rigorous process analysis. • Thorough testing and end-user training • Robust communication and change management discipline. <p>Given the scope of the change involved, and in recognition of the significance of the dollar cost investment in the new systems, the Authority must make extraordinary efforts to set the conditions to enable end-user adoption.</p> <p>Moving away from paper-based processes and record-keeping, improving the ability to track activity and measure results at the unit and even the employee level, and increasing the levels of individual accountability can be daunting to the rank-and-file. Sources of user resistance can generally be attributed to one of three root causes: 1) a lack of knowledge / understanding of the new system, 2) a lack of adequate training and, 3) a lack of appropriate incentives to change.</p> <p>A well-planned and deliberate program to communication of the “what’s in it for me” benefits of the new system and a comprehensive training program are essential to its success and sustainability.</p>	<ul style="list-style-type: none"> • Process effectiveness • Workflow

Finding	Recommendation	Scope Crosswalk
<p>OPS-14 The PATCO employee compensation program is outdated and severely compressed.</p> <p>The current structure of the PATCO / DRPA pay schedule for non-represented personnel is consistent with best practices in salary range design. However, the rates within that structure have not been adjusted to reflect market conditions since 2010. Over the same general time period, represented employees have been without a contract and the negotiated 2010 rates remain in effect. Additionally, salary compression is consistently cited as a concern for PATCO employees and management alike.</p> <p>TTM's high-level salary survey of competitive regional transit agencies indicates that the overall pay structure for PATCO is below the comparable market and that individual PATCO employees are very likely underpaid compared to their peers. The TTM analysis further confirmed that salary compression, especially between the highest-paid Teamsters and their immediate non-represented supervisors, is a valid concern.</p> <p>However, employees consistently cite the attractiveness of the PATCO benefit program, especially the pension and health care programs, as a strength of the company's total compensation package.</p>	<p>OPS-14 Complete a thorough update of the DRPA / PATCO classification and compensation plan, with a particular focus on restoring market competitiveness and “decompressing” the structure.</p> <p>The current DRPA contract with CCI, Inc. is expected to comprehensively address this need and, in so doing, establishing a system providing appropriate incentives to attract and retain a qualified workforce and for qualified and interested personnel to seek professional advancement through promotion into supervision and management.</p> <p>As noted elsewhere in the audit report, the competitive and structural weaknesses of the DRPA compensation program have been well known for many years. As such, the CCI analysis, and the recommendations that will flow from it, should receive close attention by DRPA decision makers. Correction of the shortcomings of the plan will likely require significant investment on both a one-time and ongoing basis and a policy commitment at the highest levels to maintain the updated plan going forward.</p>	<ul style="list-style-type: none"> • Reasonable salaries and benefits

Finding	Recommendation	Scope Crosswalk
<p>OPS-15 Robust competency models for PATCO’s executive leaders, managers and professional personnel have not been fully developed and deployed.</p> <p>HRS staff are familiar with the development and definition of competencies and have done so as a part of the design of the employee performance evaluation program and the definition of minimum qualifications. A robust and fully-developed competency model, however, goes beyond the content of a traditional job description or performance review form to emphasize the important behaviors and attributes of a successful performer.</p> <p>Current PATCO job descriptions define the overall purpose of each position, establish the minimum qualifications, list typical duties and responsibilities and enumerate the skills, knowledge and abilities required by the job. A competency model expands and enhances the definition of knowledge, skills and abilities by adding a behavioral dimension and defining / describing proficiency levels or degrees of competency in the attributes most important for job success and career advancement.</p>	<p>OPS-15 Work with Human Resources Services to create a fully documented managerial and leadership competency model for PATCO staff.</p> <p>A competency model will help to focus the organization on the attraction and development of the leadership and managerial traits that go beyond required technical knowledge, skills and work experience. Competency models are more behaviorally based and can be highly useful across the entire “talent management” spectrum of activities including recruitment and selection, performance management, training and development, career counseling and succession management.</p> <p>As an example, a former TransTech public transportation industry client developed a managerial / leadership competency model based on the model developed by the United States Office of Personnel Management for the Senior Executive Service of the Federal government. This client established a set of six foundational skill sets required for managerial success, along with an additional seven “Executive Core Qualifications,” (ECQ) each with multiple competencies.</p> <p>The foundational competencies included:</p> <ul style="list-style-type: none"> • Interpersonal Skills • Oral Communication • Integrity/Honesty • Written Communication • Continual Learning • Public Service Motivation <p>The seven EQC categories and their supporting competencies include those essential strategic executive attributes and leadership qualities that managers in the organization should demonstrate, as shown below:.</p>	<ul style="list-style-type: none"> • Duties and responsibilities

Finding	Recommendation	Scope Crosswalk
	<p>ECQ 1: Leading Change</p> <ul style="list-style-type: none"> • Creativity and Innovation • External Awareness • Flexibility • Resilience • Strategic Thinking • Vision <p>ECQ 2: Leading People</p> <ul style="list-style-type: none"> • Conflict Management • Leveraging Diversity • Developing Others • Team Building <p>ECQ 3: Results Driven</p> <ul style="list-style-type: none"> • Accountability • Customer Service • Decisiveness • Entrepreneurship • Problem Solving • Technical Credibility <p>ECQ 4: Business Acumen – Financial Management</p> <ul style="list-style-type: none"> • Processes, Budgeting, and Control • Contract Management <p>ECQ 5: Business Acumen – Human Capital</p> <ul style="list-style-type: none"> • Staffing • Performance Management • Training <p>ECQ 6: Business Acumen – Information Technology</p> <ul style="list-style-type: none"> • Technology Management <p>ECQ 7: Building Coalitions</p> <ul style="list-style-type: none"> • Partnering • Political Savvy • Influencing/Negotiating 	

Finding	Recommendation	Scope Crosswalk
	<p>See the following for more information on competency modeling as applied in the Federal Senior Executive Service:</p> <p>https://www.opm.gov/policy-data-oversight/senior-executive-service/executive-core-qualifications</p>	
<p>OPS-16 A formalized and documented employee management / leadership development program does not presently exist.</p> <p>PATCO is provided a training and development budget and HRS annually makes a variety of training and development opportunities available to all Authority staff. And, while employee development needs may be included as a part of a management employee’s annual performance review process, formalized individual development plans are not routinely performed or required. Furthermore, there is no present requirement for the completion of employee performance appraisals for represented staff.</p> <p>As the PATCO workforce continues to age, and additional staff reach retirement eligibility, the employee development imperative becomes increasingly acute.</p>	<p>OPS-16 Working in collaboration with Human Resources Services, PATCO should develop and document a competency-based management and leader development program.</p> <p>Begin with senior and mid-level managers ultimately cascading to lower supervisory and lower levels of the organization (where the competencies are more “hard skills” related than “soft skills” related).</p> <p>Also, consider the introduction of a performance evaluation program for represented employees for developmental and coaching purposes. (Results need not be tied to compensation decisions or disciplinary action.)</p>	<ul style="list-style-type: none"> • Duties and responsibilities

Finding	Recommendation	Scope Crosswalk
<p>OPS-17 PATCO lacks a succession management process or plan.</p> <p>Approximately 35% of the PATCO workforce is currently eligible to retire and with the passage of time this proportion grows larger. This creates the risk of having to replace a significant portion of the organization’s most senior and experienced personnel and the loss of their collective experience, knowledge and expertise.</p> <p>Although HRS prepares regular succession planning analysis reports that document the looming succession risk in concrete terms, there is no succession planning and management process presently in place to address this issue, though it is a widely known concern.</p>	<p>OPS-17 In partnership with HRS, PATCO should develop and implement a comprehensive succession planning program.</p> <p>A succession planning process involves the careful assessment of future succession needs, the identification of required skill sets to address those needs, a realistic evaluation of the availability of likely successors and their level of competency and readiness to move up, an analysis of the gap between future needs and what is available in the current talent pool and the development of a plan to close the gap. Part of the succession planning and management process should include the ability to hire in advance of expected retirements of key personnel to allow for an overlap of the incoming and the outgoing employee and facilitate knowledge transfer.</p>	<ul style="list-style-type: none"> • Duties and responsibilities • Operating costs

Policies, Practices and Compliance

Findings and recommendations related to PATCO’s strategy, business practices and policies and regulatory compliance activities are covered below. For each finding and associated recommendation (if any), an indication of which specific element(s) of the project scope addressed is also provided.

Finding	Recommendation	Scope Crosswalk
<p>PPC-1 The quality and completeness of the documentation of Standard Operating Procedures and policies is uneven across the PATCO organization.</p> <p>The responsibility for the development and management of policy and procedures documentation across PATCO has historically been highly decentralized and siloed. Accordingly, and not unexpectedly, the level of detail, format, communication methods, etc. show considerable variability across the company.</p> <ul style="list-style-type: none"> • A comprehensive PATCO policy and procedures manual does exist, covering standard Human Resources, General Administrative, Purchasing, Finance and Information Services. Policies in this may be out of date, many of which have effective dates of 15 or more years age. • The Transit Services Department has extensively documented standard operating procedures, policies and rule books, processes for their review / update and well-developed training and testing programs to ensure employee awareness and compliance. Interviews reveal high levels of employee knowledge of the department’s SOPs and requirements. • While Way & Power has an SOP manual, many of the policies and procedures appear to have been developed in the middle 1970s, focused primarily on the power aspects of the Department’s operations and not systematically or routinely updated since the middle 1990s. This manual is 	<p>PPC-1 Prepare a standardized and current set of operating policy and procedures manuals that are consistent across departmental lines, well communicated, fairly enforced and regularly reviewed and updated.</p> <p>Given the magnitude of this effort, and the importance attached to it, PATCO should consider engaging the services of a qualified and expert rail transit consulting firm to complete the initial policies and procedures update, working in close collaboration with the managers and supervisors of each department and with appropriate legal, compliance, safety and other subject matter experts in the broader DRPA organization.</p> <p>Once the initial documentation is complete, it will be incumbent upon PATCO managers to ensure that the new policies are appropriately implemented, distributed, communicated, accessible and maintained.</p>	<ul style="list-style-type: none"> • Policies and procedures • Compliance

Finding	Recommendation	Scope Crosswalk
<p>reported to be undergoing revision and update. Forms and processes for the management of work appears to be left to the discretion of lower-level supervisors. The policy document provided the TTM team focused exclusively on the power aspects of the department's work. Some interview subjects reported that they were unaware of the SOP manual or how to access it.</p> <ul style="list-style-type: none"> • The Equipment Department relies on maintenance documentation and manuals provided by equipment manufacturers, along with various checklists and other procedure documents including PEMI (PATCO Equipment Maintenance Instruction), PEAP (PATCO Equipment Alignment Procedure) and SEMI (Shop Equipment Maintenance Instruction). • Apart from the System Safety Program Plan and procedures required by statute, the System Safety Department has few procedural documents in place for the daily activities of the safety staff. The safety programs do not have a comprehensive set of documented procedures. Written procedures to define safety data collection and analysis processes are a notable need. • A Passenger Services procedures book exists and is currently under revision. Most policies and procedures are effective as of 2010. Additionally, Fare collection system vendor-provided maintenance documentation is relied upon. • The General Manager's office is currently leading an effort to drive standardization in common policies, practices and enforcement. 		

Finding	Recommendation	Scope Crosswalk
<p>PPC-2 New Federal safety and security regulations to be implemented in the Spring of 2016 will have significant impacts on PATCO and other transit service providers nationally.</p> <p>The upcoming law (49 CFR 674) requires transit agencies to adopt a Safety Management Systems (SMS) approach. The following description is taken from the FTA’s “SMS Framework” document, published in August of 2015.</p> <p>SMS will require public transportation agencies to examine how organizational factors contribute to incidents, accidents, and near misses. Organizational factors include how an agency:</p> <ul style="list-style-type: none"> • Allocates its resources; • Defines and establishes operational procedures; • Supervises frontline personnel; • Selects and trains staff; • Monitors service delivery operations; and • Resolves human performance issues. 	<p>PPC-2 Provide adequate resources and executive support / sponsorship to effectively implement the Safety Management System approach going forward.</p> <p>SMS is a management system, akin to a financial or quality management system. It ensures that a public transportation agency, regardless of its size or service environment, has the necessary organizational structures, activities and tools in place, and the necessary safety accountabilities to direct and control resources to manage safety optimally.</p> <p>SMS activities proactively detect safety concerns and organizational factors, and correct them using data-driven prioritization. PATCO safety officials should carefully assess current practices in light of the SMS Framework and document any gaps that may exist between current practices and those required to assure compliance with new requirements and develop a resource plan to close identified gaps.</p>	<ul style="list-style-type: none"> • Compliance • Policies and Procedures

Finding	Recommendation	Scope Crosswalk
<p>PPC-3 The System Safety Manager does not report to the highest executive officer.</p> <p>Current industry best practices are that the safety department have a direct reporting relationship to the Chief Executive Officer of the organization. This best practice will become law in the spring of 2016 under the upcoming 49 CFR 674.</p> <p>Per the current System Safety Program Plan, the General Manager has the primary responsibility for all operating aspects of PATCO, including compliance with the safety and security requirements of 49 CFR 659, but the General Manager does not have all of the authority that will be necessary under the new regulation to ensure safety throughout the agency; for example, the General Manager cannot hire or fire anyone, and can only authorize purchases up to \$25,000, even in an emergency. The GM cannot authorize significant training expenditures, money for updated/new and safer equipment and other safety-critical improvements without obtaining the permission of the CEO/Board.</p> <p>Additionally, under the current organizational model for Safety program management, accountability for safety functions is split between the DRPA organization and PATCO. This practice derives from the differing levels of Federal oversight and regulatory compliance imperative applicable to PATCO’s rail operations vs. DRPA’s bridge operations.</p>	<p>PPC-3 Consolidate all DRPA safety related functions with the PATCO System Safety Department to create a Safety Center of Excellence (COE).</p> <p>The PATCO General Manager is currently undergoing the training and certification process that will enable him to function as a Chief Safety Officer, with a direct reporting relationship to the DRPA Chief Executive Officer / PATCO President serving in the role of the “accountable executive” for safety matters as required by the FTA.</p> <p>TransTech Management recommends that the two Safety Specialists currently assigned to the DRPA Risk Management & Safety Department be transferred to PATCO’s System Safety Department. This organizational consolidation of responsibility for enterprise-wide safety program management under a single, accountable structure creates an opportunity for more flexible utilization of safety personnel, provides a platform for cross training safety personnel on both bridge operations and rail safety and, furthermore, focuses the DRPA-level Director on the enterprise-wide Risk Management Function.</p> <p>An early step in the consolidation would include the development of a comprehensive consolidated Safety and Security Strategic Plan, consistent with the FEMA Multi-Year Strategic Planning model. This could be a component part or companion of the pending Authority-wide strategic planning effort and would involve close collaboration between the safety professionals and the security / emergency management team.</p> <p>It is explicitly NOT the intent of this recommendation that the safety focus on the DRPA bridges or other DRPA properties be diluted or diminished in any way. It is intended, rather, to provide a platform to promote better collaboration, communication and cross-utilization of trained safety professionals to the benefit of all DRPA / PATCO programs and facilities.</p>	<ul style="list-style-type: none"> • Compliance • Org structure

Finding	Recommendation	Scope Crosswalk
<p>PPC-4 Personnel resources assigned to the System Safety Office are limited in number and authority.</p> <p>With a Manager, two Safety Specialists and two available safety and security consulting contractors (Transportation Resources Associates, Inc. and STV, Inc.), the System Safety Department has sufficient resources to meet FTA's minimum recommended level of one safety department employee to 175 other employees. However, this requirement will change with 49 CFR 674, and key safety personnel will be required for each department/unit.</p> <p>Furthermore, the Safety Specialists are comparatively new to the job and do not yet have sufficient training and certifications appropriate to their roles. Such certifications will be required by 49 CFR 674. The System Safety Manager will also need to be certified.</p>	<p>PPC-4 Continue to fully fund the safety and security contractors supporting PATCO's safety and security efforts and ensure that a safety training and certification program compliant with upcoming 49 CFR 674 is developed and deployed.</p> <p>In August of 2015 the DRPA Board approved contracts with Transportation Resource Associates, Inc. and STV, Inc. to "provide expertise to PATCO in the areas of transit safety and transit security to supplement internal staff with efforts to comply with regulatory and oversight agencies regulations and requirements." The dual contract award was in the amount of \$390,000 with a term of three years.</p> <p>These contracted resources should be retained through current term of the contract and the transition to the Safety Center of Excellence concept and structure. After a period of integration of the transferred personnel into the COE model, and following the necessary certifications of all staff, these contracts should be evaluated for the necessity of further renewal.</p>	<ul style="list-style-type: none"> • Staffing levels • Management authority • Compliance
<p>PPC-5 The Emergency Management function for PATCO is under-resourced for an agency of its size.</p> <p>The Authority's Director of Emergency Management and Homeland Security is located at the DRPA level and is focused on emergency management programs and activities for the bridges and other critical infrastructure. There is a risk that insufficient attention is being given to the emergency risk exposure of the PATCO system. While the PATCO commuter rail might not be the kind of target that SEPTA, PATH or NJ Transit offer, that very fact could attract someone who wants to do harm.</p>	<p>PPC-5 Consider hiring a PATCO Emergency Manager.</p> <p>Training and certifications will be needed for these personnel, and resources should be allotted to assume responsibility for PATCO emergency response planning and incident management, either at the DRPA or PATCO level.</p>	<ul style="list-style-type: none"> • Staffing levels

Finding	Recommendation	Scope Crosswalk
<p>PPC-6 PATCO has effectively addressed compliance issues raised in the most recent Triennial Review.</p> <p>The FTA raised five issues as a result of the Triennial Review that PATCO needed to address. These were:</p> <ul style="list-style-type: none"> • Poor maintenance of elevators and escalators was resulting in a high incidence of out of service elevators and escalators. A new service contract and maintenance procedures were put in place. (See additional information in a subsequent finding). • There were inadequate alternative transportation options for disabled passengers when these service outages occurred. A new contract for alternative transportation was put in place. • PATCO policies did not sufficiently address PATCO's responsibility to oversee grant sub-recipients' FTA compliance. PATCO rewrote it's policies to rectify this omission. • The Delaware River Waterfront Corporation (DRWC) had not filed a LLL form with DRPA, reporting lobbyist activity, regarding a grant they received. DRWC made the case that they had not employed lobbyists prior to or immediately after receiving the grant, but nonetheless they filed the LLL and fulfilled FTA's requirement. • FTA reviewed PATCO's Title VI public notice and found it consistent with requirements, but they did instruct PATCO to ensure that the document was translated into all languages that met the Safe Harbor threshold. Related to this finding is a FTA approved Public Participation Plan. In this plan PATCO committed to various measures which would enable speakers of the languages that meet the Safe Harbor threshold access to PATCO service information. PATCO has implemented some, but not all, of these measures. (See subsequent finding and recommendation below). 	<p>PPC-6 Continue the existing practice of responsiveness and attention to future Triennial Review recommendations.</p> <p>Four of the five Triennial Review findings were relatively minor and PATCO has taken affirmative steps to address all five. The most serious of the review findings – the unacceptable incidence of elevator and escalator service interruptions – has been successfully mitigated through a contractual arrangement with SEPTA and is working well. An opportunity exists for PATCO to further improve the multi-lingual functionality of the ridepatco.org website to more fully address the intent of the FTA approved Public Participation Plan.</p>	<p>Scope Crosswalk</p> <ul style="list-style-type: none"> • Compliance

Finding	Recommendation	Scope Crosswalk
<p>PPC-7 The current arrangement for the maintenance of elevators and escalators is effective, efficient and compliant.</p> <p>After considerable difficulties with respect to elevator and escalator maintenance and a significant negative finding in the most recent Triennial Review, PATCO has taken appropriate steps to address the issue and correct deficiencies.</p> <p>A long term service contract with SEPTA is in place, maintenance and repair are performed, documented and communicated on a regular basis so as to ensure optimal operative condition, and, in 2015, monthly targets for percentage of elevators and escalators which are operational have consistently been met. Procedures to accommodate stranded customers in the event of elevator outages consistent with USDOT ADA regulations continue to be in place for both New Jersey and Pennsylvania stations.</p>	<p>PPC-7 Continue the contractual relationship with SEPTA for elevator and escalator maintenance.</p> <p>The contract with SEPTA is for five years running from June 29, 2014 to June 30, 2019. The maintenance schedule and reporting process is comprehensive. Repairs are now being completed quickly. Beginning in early 2014, monthly targets for the percentage of operational elevators have been met consistently. As expected, escalator maintenance proved more difficult and throughout 2014 monthly targets regularly went unmet. The missed targets, however, are not attributed to a failure of SEPTA but, rather, on the poor performance of the contractor that installed the four new escalators. After finalizing the replacement of those escalators during the course of the year, performance began to improve. In 2015, the targets are being met. As reported by the members of the Citizen’s Advisory Committee in the recent focus group conducted for this audit, this improvement has been both positive and noticeable. Procedures for stranded customers were accepted by FTA last October and continue in place.</p>	<ul style="list-style-type: none"> • Effectiveness of operations • Compliance

Finding	Recommendation	Scope Crosswalk
<p>PPC-8 Improvements to the ridepatco.org website could result in improved access for Limited English Proficient (LEP) riders.</p> <p>As described in PATCO’s Title VI Program Update: Public Participation Plan, submitted to FTA on 8/1/14, PATCO has taken numerous steps to provide meaningful access to their services and information for individuals who are considered LEP. Census data shows that the five language groups which currently meet the Safe Harbor threshold in PATCO’s area of operation are Spanish, Chinese, Vietnamese, Korean and Russian. PATCO provides the Public Notice of Title VI Rights, Title VI Complaint Procedure and Title VI Complaint Form in these five languages, in addition to English, on their website. Also referenced in the Title VI Program Update is PATCO’s provision of Google Translate “which assists LEP individuals when using the website.” However, currently only the Home page and the Fares page on ridepatco.org offer Google Translate.</p>	<p>PPC-8 Fully implement the Public Participation Plan by adding Google Translate to other pages on ridepatco.org.</p> <p>Ideally all pages would offer this translation capability, but it would be especially helpful for Traveling on PATCO (particularly pages such as First Time Riders, Seniors, etc.), Safety and Security (particularly the Safety Tips Brochure), Schedule information and Press Releases. Not only would this significantly increase access for members of the five Safe Harbor language groups, but it would also extend access to members of three language groups which have numbers closely approaching Safe Harbor designation: Gujarati (992), Italian (957) and Tagalog (942). Although Google Translate does not provide Tagalog as one of its choices, it does provide Filipino.</p>	<ul style="list-style-type: none"> • Compliance
<p>PPC-9 Many of the agency’s policies, procedures and records exist only in hard copy.</p> <p>This can create an undue burden for data collection and analysis, as well as recordkeeping. Due to the current requirements of 49 CFR 659, and the increased requirements of 674, this puts a heavy burden of labor hours on the safety department, which is supposed to review all system processes to ensure all hazards have been identified and mitigated appropriately.</p>	<p>PPC-9 Ensure that PATCO documents all safety-critical functions, policies and procedures electronically.</p> <p>DRPA is currently in the process of implementing new, modernized information systems that, over time, will support the creation, distribution, archiving and retrieval of critical documents.</p> <p>The System Safety Manager should work closely on the implementation of the SAP enterprise resource planning software package to ensure facilitation of data collection related to the upcoming requirements of 49 CFR 674.</p>	<ul style="list-style-type: none"> • Policies and procedures • Process effectiveness

Finding	Recommendation	Scope Crosswalk
<p>PPC-10 The Equipment Department lacks a formalized quality control / quality assurance (QA / QC) program.</p> <p>The Managers in the Equipment Department, in addition to their direct supervisory role, assume responsibility for the proper training and certification of subordinate maintenance staff and for the periodic spot checking of maintenance and repair work to assure quality and completeness. However, industry best practices recommend the establishment of a separate quality control / quality assurance function in order to ensure an independent process for monitoring the quality of the Department’s work and results from a maintenance perspective.</p> <p>Such a quality assurance program would include the selection of a sample of 10% of maintenance and repair work orders for follow up inspection and checking, the documentation of results and the implementation of corrective training or other actions necessary as a result of the quality assurance review process.</p> <p>Furthermore, the increasing complexity of the and technical sophistication of the refurbished PATCO rail cars suggest the need for increased engineering expertise and engineering within the Equipment Department.</p>	<p>PPC-10 Establish an independent QA / QC and rail vehicle engineering function.</p> <p>In an organization the size of the PATCO Equipment Department it is reasonable to combine both the QA and training roles. TTM recommends that PATCO create a manager level role to be filled with an individual with extensive experience in rail vehicle engineering and maintenance and assign that individual to assess the current training needs of the Equipment staff in light of the refurbished car program, develop and deliver a technical training programs to equipment staff based on that assessment, to design and oversee an independent maintenance quality assurance program and to serve as a technical resource to the Equipment Director, General Manager and other PATCO leaders.</p> <p>The quality assurance and reporting functions will become increasingly critical under the upcoming reporting requirements of 49 CFR 674 to be implemented next year.</p> <p>As an alternative to the creation of an in-house position, PATCO may consider contracting for these services with a qualified engineering organization with experience in rail car design, maintenance and operations.</p>	<ul style="list-style-type: none"> • Policies and procedures • Duties and responsibilities

Finding	Recommendation	Scope Crosswalk
<p>PPC-11 PATCO does not have fully documented technical manuals for the truck overhaul program.</p> <p>As a part of the rail car replacement program, Equipment is responsible for the overhaul and maintenance of the legacy transit trucks upon which the new cars ride. The trucks have been in use since initial operation began and, to date, existing maintenance practices have been successful. However, there is no current, valid original equipment manufacturer (Budd Company) technical documentation to support major overhaul of the entire truck assembly.</p> <p>Trucks are thoroughly maintained through scheduled inspections on a mileage/calendar basis under the current inspection scheme. Maintenance is performed as needed on major components, to include axle sets, gear boxes, traction motors, and wheel trueing. There is no scheduled overhaul cycle.</p> <p>The Equipment Director is aggressively involved with attempting to develop valid maintenance documentation for the entirety of the rail car refurbishment program</p>	<p>PPC-11 Engage a qualified engineering services contractor to support the development of certifiable technical documentation to address all levels of life-cycle maintenance for the trucks.</p> <p>It is both impractical and inefficient for a Director-level manager to assume personal responsibility for the creation of technical maintenance documents.</p>	<ul style="list-style-type: none"> • Policies and procedures

Finding	Recommendation	Scope Crosswalk
<p>PPC-12 PATCO training efforts are under-resourced, especially in Equipment, and Way & Power.</p> <p>Multiple past independent safety reviews have noted improvement opportunities related to PATCO’s training methods and processes, the most recent of these being the 2014 Triennial On-Site Safety Review conducted by TRC Solutions, Inc. on behalf of NJDOT. Among the significant observations and recommendations in that report were:</p> <ul style="list-style-type: none"> • There is a need for a companywide training matrix that defines the respective training requirements to qualify and remain qualified for a position. • There is a need for an overall training matrix for Equipment Maintenance. • Equipment Maintenances should track employee testing by module, establish a retesting process and assess the impact of increasing the passing grade level. • There is no formal training program established for electrical maintainers as new employees are trained through OJT. Other Way & Power training programs are not well documented. • On-the- job training (OJT) is a significant part of the overall training and must be documented. • Having written lesson plans for positions requiring OJT will ensure consistency in the training process. • PATCO should document all on- the-job type training performed, as well as, the development of lesson plans for OJT. • Training requirements for each position need to be documented to include lesson plans, testing criteria, OJT and evaluation criteria. <p>While PATCO has accepted these and other recommendations, no dedicated resources have been assigned to implement them.</p>	<p>PPC-12 Create Training Specialist positions in both Equipment and Way & Power.</p> <p>Training professionals should be tasked with the completion of training needs assessment, development of lesson plans and presentation materials, the delivery of on-the-job training in collaboration with their departmental subject matter experts and the securing of outside training resources through contracted services or shared / collaborative efforts through SEPTA, New Jersey Transit, APTA and the National Transit Institute. Importantly, the proposed Training Specialists should be responsible for the documentation of procedures, training program development in support of those procedures and all associated record-keeping and reporting.</p>	<ul style="list-style-type: none"> • Effectiveness of operations • Compliance

Finding	Recommendation	Scope Crosswalk
<p>PPC-13 Implementation success for prior management audit findings and recommendations is uneven.</p> <p>The audit team reviewed the implementation status of 44 distinct PATCO-related audit recommendations from the 2010 TransTech audit and the 2012 CGR Management Consultants audit. That review revealed that, of the 44 recommendations:</p> <ul style="list-style-type: none"> • 9 can be considered complete or substantially complete. • 6 can be considered not implemented. • 29 can be considered various stages of completion. <p>Those not implemented include:</p> <ul style="list-style-type: none"> • Implementation of succession planning (TTM / HR-6). • Ensuring that all units have at least the minimum staffing and skill sets (TTM / OM-2). • Completion of a comprehensive PATCO needs assessment (TTM / PA-3). • Initiate a PATCO marketing effort funded at 2% of its operating budget to increase ridership (TTM / PA-3). • Establish professional development programs for PATCO managers (TTM / PA-4). • Increase purchasing approval thresholds (CGR / FN-5). <p>Of those prior recommendations from prior audits that have been identified as current pressing needs for PATCO, the following are in various stages of implementation:</p> <ul style="list-style-type: none"> • Development of a strategic plan covering both DRPA and its operating units (TTM / CC-3). • Development of an asset management plan (TTM / EN-3). • Substantial reduction in the average elapsed time required for the hiring process (TTM / HR-1). 	<p>PPC-13 Provide adequate resources to support the implementation of accepted audit recommendations.</p> <p>Under the reform resolutions the DRPA Board of Commissioners has established a demanding and rigorous regime of frequent independent audits to establish and reinforce a culture of transparency, accountability and efficiency of service delivery. Including the current TransTech Management audit, the Authority has committed approximately \$1.1 million to engage independent consulting organizations to accomplish this goal. However, in multiple instances, the allocation of funding and other resources to implement the recommended changes has either not been adequately addressed or, in others, lags significantly behind the acceptance of the recommendations and their full implementation.</p> <p>The Board should consider the adoption of a policy statement regarding the need to provide the financial support required to implement audit recommendations. To the extent that financial limitations impede the ability to do so, then a reconsideration of the frequency of the engagement of external audit teams – at considerable cost – should be considered and more reliance placed on the Office of the Inspector General to carry out this function, with a commensurate augmentation of that staff.</p>	<ul style="list-style-type: none"> • Prior audit compliance

Finding	Recommendation	Scope Crosswalk
<ul style="list-style-type: none"> • Conduct of a thorough review of pay differentials between supervisors and represented employees (TTM / HR-4). • Review of the pay differential between first line supervisors and represented employees and asses the risks arising from compensation compression (CGR / GR-3). • Establishment of a professional development program for PATCO managers (TTM / PA-4). • Complete an update of PATCO standard operating procedures and create a uniform update process. (TTM / PA-12). 		

The final section of the Final Report presents a proposed plan for the implementation of the audit recommendations.

VIII. IMPLEMENTATION

A specific plan for the implementation of the audit recommendations is included in this section of the Final Report. For each recommendation, the implementation plan:

- Restates the recommendation.
- Assigns a priority level (High, Med, Low).
- Suggests a timeframe for completion, by fiscal year, with the implementation of some recommendations spanning multiple fiscal periods.
- Assigns key accountable personnel. The primary accountable executive is shown in **bold text**, with supporting individuals indicated by *italics text*.
- Implementation notes, including estimates associated costs where applicable.

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
Organization and Management							
ORG-1	Continue and expand efforts to fully integrate PATCO into the broader structure of the Authority.	High	●	●	●	<ul style="list-style-type: none"> DRPA Chief Executive Officer PATCO General Manager 	<ul style="list-style-type: none"> The CEO should continue his active, hands-on management style and visible personal leadership to drive the longer term organizational transformation. Continue to populate the DRPA /PATCO management teams with leaders who share the CEO's vision and values. <p>Estimated costs; None</p>
ORG-2	Improve the alignment of the PATCO strategic planning process with that of the DRPA and strengthen its linkage to daily operational planning and performance management.	High	●			<ul style="list-style-type: none"> DRPA Director of Strategic Initiatives PATCO General Manager Technical Projects Manager 	<ul style="list-style-type: none"> Ensure that PATCO (along with other operating units of the DRPA) are fully engaged in the planned DRPA strategy update and that the mission, vision, values and strategic objectives are fully aligned and congruent. Improve KPI linkage to the strategic goals and develop a process for strategic management with accountable "owners" of each strategic goal and objective. <p>Estimated cost: None</p>

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
ORG-3	Create lead-worker / "Senior" level roles in those units with excessive spans of control to provide "working supervisors" as needed.	High	●			<ul style="list-style-type: none"> PATCO General Manager <i>Human Resources Services Director</i> 	<ul style="list-style-type: none"> These lead workers would work much the same way as the current Auxiliary Supervisors except that their permanent assignment would be that of a "Crew Leader" or "Senior" worker on a full time basis. Strive for a typical span of control of 5-7 workers per lead worker. It is not anticipated that these workers would be considered "management" or "non represented" personnel. <p>Estimated cost: Approximately a 5-7% differential in pay between the worker and the lead worker. Suggest seeking guidance from CCI.</p>
ORG-4	Streamline and simplify the current titling of PATCO positions.	Med	●			<ul style="list-style-type: none"> Human Resources Services Director <i>PATCO leadership team</i> 	<ul style="list-style-type: none"> Should be addressed by the ongoing CCI compensation analysis. <p>Estimated cost: None</p>
ORG-5	Review selected positions for reclassification and upgrade.	Med	●			<ul style="list-style-type: none"> Human Resources Services Director <i>PATCO leadership team</i> 	<ul style="list-style-type: none"> Should be addressed by the ongoing CCI compensation analysis. <p>Estimated cost: Unknown until the CCI results are delivered.</p>
ORG-6	Reorganize Way & Power to separate core responsibilities from ancillary support activities, creating an independent Facilities Management unit.	High	●			<ul style="list-style-type: none"> PATCO General Manager <i>DRPA Chief Executive Officer</i> <i>Way & Power Director</i> 	<ul style="list-style-type: none"> Should improve focus and accountability on both Facilities Maintenance and Way and Power. The proposed Facilities Maintenance Manager position can be created by a reallocation of the currently vacant Technical Supervisor position in Way & Power. <p>Estimated cost: None</p>

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
ORG-7	Expedite the filling existing vacancies and conduct detailed workload and staffing analyses in all PATCO departments to justify any additional staffing requirements.	High	●	●		<ul style="list-style-type: none"> ● PATCO General Manager ● <i>PATCO leadership team</i> ● <i>Human Resources Services Director</i> 	<ul style="list-style-type: none"> ● There are currently 26 open / vacant positions, of which 23 are currently in the process of being filled. ● Filling vacant positions can help to reduce overtime requirements, limit the risk of fatigue in safety critical jobs and boost employee morale by the elimination of one of the chronic sources of complaint by both workers and supervisors. ● Use SAP's improved data capture, analytics and reporting capabilities to develop a sound understanding of workload demands and costs. <p>Estimated cost: Unknown</p>
ORG-8	Consolidate the Drug and Alcohol compliance program within the DRPA Police Department.	Med	●			<ul style="list-style-type: none"> ● DRPA Chief Executive Officer ● <i>DRPA Police Chief</i> ● <i>PATCO System Safety Manager</i> 	<ul style="list-style-type: none"> ● Reduces redundancy, improves program effectiveness and frees up Safety personnel to concentrate on critical safety functions. <p>Estimated cost: None</p>
ORG-9	Consider reassignment of Customer Service Agents to the Passenger Services unit.	Low		●		<ul style="list-style-type: none"> ● PATCO General Manager ● <i>Passenger Services and Fare Collection Director</i> ● <i>Transit Services Director</i> 	<ul style="list-style-type: none"> ● Improves alignment of customer-facing staff under common supervision. ● Improves communication. <p>Estimated cost: None</p>
Operational Efficiency and Effectiveness							
OPS-1	Implement automated work order management technology.	High	●	●		<ul style="list-style-type: none"> ● Information Services Director / CIO ● <i>PATCO leadership team</i> 	<ul style="list-style-type: none"> ● This is being accomplished today through the SAP enterprise resource planning process. ● Training of end-users is critical to user buy-in an adoption, without which the benefits will not be realized. <p>Estimated cost: None / unknown. Included in the cost of the SAP implementation.</p>

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
OPS-2	Continue efforts to ensure coordination, collaboration and teamwork among the various departments most directly involved in rail operations and service delivery.	Med	●	●	●	<ul style="list-style-type: none"> PATCO General Manager <i>Assistant General Manager</i> <i>Transit Services Director</i> <i>Way & Power Director.</i> 	<ul style="list-style-type: none"> Continue current practice. Work to minimize changes to the track allocation plan subsequent to the meeting. Changes should be the exception and not the rule, barring emergencies. <p>Estimated cost: None</p>
OPS-3	Develop alternative approaches to the provision of flagging and PATCO asset protection support to capital improvement projects.	High	●			<ul style="list-style-type: none"> PATCO General Manager <i>Way & Power Director</i> <i>DRPA Chief Engineer</i> 	<ul style="list-style-type: none"> Based on data supplied by PATCO Finance, through August of 2015, regular and overtime employee costs in Way & Power charged to the support of CIP projects such as the Ben Franking Bridge rehabilitation and viaduct repair total \$1.2 million including both pay and “employee service expense” to account for benefit related costs. Annualized to 12 months, this is \$1.76 million charged to the capital accounts to support projects and costs not absorbed in the operating accounts. Multiple options available to reduce costs and return workers to their normal duties including building this cost into contractor budgets, hiring temporary workers or hiring full time staff. Estimated cost: \$811,000 (approximately) assuming the hiring of 10 full time Track Mechanic level personnel at the current average rate of pay (\$49,150) plus an additional “ESE” load of 65%. This is approaching \$1 million less than the cost of the current method.

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
OPS-4	Consider renting portable storage modules to safely and securely house all assets being delivered to support the new rail vehicles.	High	●	●		<ul style="list-style-type: none"> PATCO General Manager <i>Equipment Director</i> 	<ul style="list-style-type: none"> Over time, as the car rehabilitation program is completed, the need for redundant parts storage space should diminish. <p>Estimated cost: \$300-500 / month per container for a 40' container. \$6,000 / year per container, \$36,000 total cost for three containers for 2 years.</p>
OPS-5	Provide for secure storage for truck overhaul parts and develop procedures for improved asset control.	High	●	●		<ul style="list-style-type: none"> Equipment Director <i>PATCO Purchasing Agent</i> <i>PATCO Stores Supervisor</i> 	<ul style="list-style-type: none"> The Equipment Director has identified space in the Annex Building for the secure storage of overhaul parts. A procedure for the assembly of overhaul kits by Storeroom personnel and the control issue of the kits will need to be developed. <p>Estimated cost: None</p>
OPS-6	Thoroughly assess the impacts on PATCO staffing, processes and technology required to fully implement Transit Asset Management.	High	●	●		<ul style="list-style-type: none"> PATCO General Manager <i>Assistant General Manager</i> <i>Equipment Director</i> <i>Way & Power Director</i> <i>PATCO Finance Director</i> 	<ul style="list-style-type: none"> The implementation of a rigorous and systematic Asset Management program is a regulatory requirement. A draft plan is under development currently. The Authority's investment in SAP software should help support the implementation of TAM. <p>Estimated cost: None immediately to complete a thorough assessment. Unknown long term costs of compliance.</p>
OPS-7	Over time, phase out the Fare Collection Equipment Repairman job and transition to 100% staffing at the Technician level.	Med		●	●	<ul style="list-style-type: none"> Passenger Services & Fare Collection Director <i>Fare Collection Foreman</i> 	<ul style="list-style-type: none"> Manage this process through natural attrition. <p>Estimated cost: None immediately, then the incremental pay difference between the Technician and the Repairman salary. Today this is about \$7,700 plus benefit costs. For three Repairmen currently authorized, an annual cost of \$23,100 plus benefits is projected.</p>

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
OPS-8	Ensure adequate staffing in Equipment and Way and Power and conduct job hazard analyses for the maintenance functions (rolling stock, infrastructure & facilities).	High	●			<ul style="list-style-type: none"> • System Safety Program Manager • <i>Way and Power Director</i> • <i>Potential consulting support</i> 	<ul style="list-style-type: none"> • PATCO's contracted transit safety consultants, Transportation Resources Associates, Inc. and/or STV, Inc. may be able to support this effort, either within their current scope or via a contract amendment. This should also include the training of supervisory personnel to undertake such analyses in the future. <p>Estimated cost: Unknown</p>
OPS-9	Streamline and accelerate the recruitment and selection processes.	High	●	●		<ul style="list-style-type: none"> • Human Resources Services Director • <i>PATCO Assistant General Manager</i> • <i>Strategic Initiatives Director</i> 	<ul style="list-style-type: none"> • Consider assigning the Strategic Initiatives Team to lead a "Lean Six Sigma" or similar process improvement effort. • Identify non-value added steps and eliminate them. • Set clear standards and expectations for hiring practices, communicate their importance, provide training where needed, monitor and report on results and hold managers accountable for compliance. • Accountability mechanisms could include periodic audit of compliance with established targets and standards. <p>Estimated costs: None. Cost saving potential through the reduction of overtime.</p>
OPS-10	Increase purchasing thresholds and delegate additional purchasing authority to the General Manager.	Med	●			<ul style="list-style-type: none"> • DRPA Board of Commissioners • <i>DRPA Chief Executive Officer</i> 	<ul style="list-style-type: none"> • The intent of this recommendation is to eliminate delays in the acquisition of needed supplies and services due to excessive controls. • Any risks perceived in the relaxation of the dollar thresholds / authority delegations can be mitigated through a proactive reporting process and an aggressive audit process. <p>Estimated cost: None</p>

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
OPS-11	Implement procurement cards for Way & Power and other PATCO departments in connection with the ERP rollout.	High	●			<ul style="list-style-type: none"> PATCO General Manager <i>DRPA Purchasing and Stores Manager</i> <i>PATCO Purchasing Agent</i> 	<ul style="list-style-type: none"> Deferring the implementation through the launch of the new SAP ERP software system is reasonable. PATCO management should work closely with DRPA Purchasing to select employees eligible to be provided purchasing cards and ensure that those employees are trained in the processes and controls in the system. <p>Estimated cost: Negligible to none</p>
OPS-12	Over time, as the new ERP systems mature and stabilize, consolidate and reduce (or eliminate) the dedicated Finance, Payroll and Purchasing staff assigned to support PATCO.	Low			●	<ul style="list-style-type: none"> DRPA Chief Financial Officer <i>PATCO General Manager</i> <i>PATCO Finance Director</i> 	<ul style="list-style-type: none"> This is a long term recommendation. Migration to a common software platform with significantly improved reporting capabilities, including automated workflows and self-service functionality, should allow a reduction or elimination of a full-time finance, purchasing and payroll presence onsite at Lindenwold. Converting to a shared service model of “back office” support to PATCO is consistent with the overall objective to fully integrate the rail company into the larger DRPA culture and operation. <p>Estimated cost: None. Significant future cost savings could be realized.</p>
OPS-13	Ensure that PATCO employees at all levels are fully trained in the new ERP system and associated business processes before migrating to the upgraded technology.	High	●			<ul style="list-style-type: none"> DRPA Information Systems Director / CIO <i>DRPA Chief Executive Officer</i> <i>PATCO leadership team</i> 	<ul style="list-style-type: none"> This is mission-critical to the success of ERP. <p>Estimated cost: None, already accounted for in the ERP project budget.</p>

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
OPS-14	Complete a thorough update of the DRPA / PATCO classification and compensation plan, with a particular focus on restoring market competitiveness and “decompressing” the structure.	High	●			<ul style="list-style-type: none"> • Human Resources Services Director • <i>PATCO General Manager</i> • <i>PATCO leadership team</i> • <i>CCI consulting resources</i> 	<ul style="list-style-type: none"> • Currently underway with CCI consulting. • Funding the market and equity adjustments is likely to be an expensive undertaking and may need to be phased in over multiple years. <p>Estimated cost: Unknown at this time. CCI should provide implementation strategies and cost estimates for alternative approaches.</p>
OPS-15	Work with Human Resources Services to create develop and define a fully documented managerial and leadership competency model for PATCO staff.	Med		●	●	<ul style="list-style-type: none"> • PATCO General Manager • <i>Human Resources Services Director</i> • <i>PATCO leadership team</i> • <i>Potential consulting support</i> 	<ul style="list-style-type: none"> • This is a significant undertaking that will likely require external resources, working in partnership with DRPA Human Resources Services. • Competency modeling can be a powerful tool for employee development and cultural change. By defining and measuring the kinds of behaviors expected of employees, above and beyond the successful performance of their listed job duties, a mechanism for improved talent management is established. • Recommend piloting the concept with the highest level executives and Directors first. <p>Estimated cost: \$250,000 in consulting fees, assuming a collaborative effort between consultant and DRPA.</p>

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
OPS-16	Working in collaboration with Human Resources Services, develop and document a formalized competency-based management and leader development program.	Med			●	<ul style="list-style-type: none"> • Human Resources Services Director • <i>PATCO General Manager</i> • <i>PATCO leadership team</i> • <i>Potential consulting support</i> 	<ul style="list-style-type: none"> • This will be a partnership with DRPA HR and likely part of a larger, DRPA-wide initiative. • Prerequisites for the successful adoption of recommendation is the accurate definition of competencies that need development, an assessment of current competencies in the workforce and the conduct of a gap analysis. • This will either require the employment of a full time Training and Development staff or significant reliance on consulting resources. <p>Estimated cost: \$150,000 plus in consulting fees to conduct the assessment and design a program. Ongoing costs to implement unknown.</p>
OPS-17	In partnership with HRS, PATCO should develop and implement a comprehensive succession planning program.	High		●	●	<ul style="list-style-type: none"> • PATCO General Manager • <i>Human Resources Services Director</i> • <i>PATCO leadership team</i> • <i>Consulting support</i> 	<ul style="list-style-type: none"> • This, too, should be accomplished in partnership with DRPA's HRS Department and involving other DRPA units in the process. • PATCO should begin now identifying its most critical succession needs and developing strategies to minimize disruption and loss of critical knowledge as turnover occurs. • Authorize advance hiring / double-filling of positions to support smooth succession and knowledge transfer. <p>Estimated cost: \$100,000 plus if consulting resources are required. Economies of scale can be realized if the competency modeling, management development and succession planning initiatives are bundled into a single source consulting contract.</p>

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
Policies, Practices and Compliance							
PPC-1	Prepare a standardized and current set of operating policy and procedures manuals that are consistent across departmental lines, well communicated, fairly enforced and regularly reviewed and updated.	High	●	●		<ul style="list-style-type: none"> • PATCO General Manager • <i>PATCO leadership team</i> • <i>Consulting support</i> 	<ul style="list-style-type: none"> • This is a recurrent theme in prior management audits and should be address as a high priority. • Engage a qualified, expert firm to do the initial drafting and rationalization of existing policies and procedures documents and recommend a process for their routine maintenance and upkeep thereafter. <p>Estimated cost: \$350,000 plus, assuming a six month effort by a consulting team.</p>
PPC-2	Provide adequate resources and executive support / sponsorship to effectively implement the Safety Management System approach going forward.	High	●	●	●	<ul style="list-style-type: none"> • DRPA Chief Executive Officer • <i>PATCO General Manager</i> • <i>System Safety Program Manager</i> • <i>PATCO leadership team</i> 	<ul style="list-style-type: none"> • The SMS approach is a comparatively new and emerging requirement and is intended to fully embed safety into the operating consciousness of the organization. • The total scope of its impact on resource requirements is uncertain and has not yet been fully assessed. • Several recommendations in this report, however, move the organization in this direction and can significantly improve the safety focus at both PATCO and DRPA. <p>Estimated cost: Unknown at this time</p>
PPC-3	Consolidate all DRPA safety related functions with the PATCO System Safety Department to create a Safety Center of Excellence (COE).	Med		●		<ul style="list-style-type: none"> • DRPA Chief Executive Officer • <i>DRPA Chief Administrative Officer</i> • <i>PATCO General Manager</i> • <i>System Safety Program Manager</i> • <i>DRPA Risk Management & Safety Director</i> 	<ul style="list-style-type: none"> • The Center of Excellence concept concentrates the Authority's safety experience and expertise into a single organizational unit, seeking to create "critical mass" and facilitating the cross-functional utilization of staff and other resources. <p>Estimated cost: None.</p>

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
PPC-4	Continue to fully fund the safety and security contractors supporting PATCO's safety and security efforts and ensure that a safety training and certification program compliant with upcoming 49 CFR 674 is developed and deployed.	High	●	●	●	<ul style="list-style-type: none"> • PATCO General Manager • <i>System Safety Program Manager</i> 	<ul style="list-style-type: none"> • The current contracts were executed this year and have a three year term. • By the end of the three year term, the Safety COE will be fully functional and the need to rely on outside experts may diminish as a result of the consolidation and the addition of personnel in other recommended areas. • Estimated cost: None
PPC-5	Consider hiring a PATCO Emergency Manager.	Med		●		<ul style="list-style-type: none"> • PATCO General Manager • <i>System Safety Program Manager</i> 	<ul style="list-style-type: none"> • Provides added focus to the emergency management risks inherent in the commuter rail system. <p>Estimated cost: \$90,000 plus benefits</p>
PPC-6	Continue the existing practice of responsiveness and attention to future Triennial Review recommendations.	High		●		<ul style="list-style-type: none"> • PATCO General Manager • <i>PATCO leadership team</i> 	<ul style="list-style-type: none"> • Findings in the 2013 Triennial Review were comparatively minor and all findings have been addressed. <p>Estimated cost: None</p>
PPC-7	Continue the contractual relationship with SEPTA for elevator and escalator maintenance.	High	●	●	●	<ul style="list-style-type: none"> • PATCO General Manager • <i>Way & Power Director</i> • <i>(New) Facilities Maintenance Manager</i> 	<ul style="list-style-type: none"> • Similar to the above recommendation. This is a recognized success and should be continued. <p>Estimated cost: None</p>
PPC-8	Fully implement the Public Participation Plan by adding Google Translate to other pages on ridepatco.org.	Med	●			<ul style="list-style-type: none"> • DRPA Corporate Communications Director • <i>Technical Projects Manager</i> 	<ul style="list-style-type: none"> • This recommendation addresses an improvement to PATCO's implementation of its Public Participation Plan. • Google Translate is free. <p>Estimated cost: None</p>

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
PPC-9	Ensure that PATCO documents all safety-critical functions, policies and procedures electronically.	Med		●		<ul style="list-style-type: none"> • System Safety Program Manager • <i>PATCO General Manager</i> • <i>System Safety Program Manager</i> 	<ul style="list-style-type: none"> • Improves the organization's ability to maintain, revise, update and disseminate policies and procedures efficiently. <p>Estimated cost: None</p>
PPC-10	Establish an independent QA / QC and rail vehicle engineering function.	Med	●			<ul style="list-style-type: none"> • Equipment Director • <i>PATCO General Manager</i> • <i>Equipment Director</i> 	<ul style="list-style-type: none"> • Considered a best practice in rail car maintenance. <p>Estimated cost: \$100,000 salary plus benefits (estimated at the E1 pay grade level.)</p>
PPC-11	Engage a qualified engineering services contractor to support the development of certifiable technical documentation to address all levels of life-cycle maintenance for the trucks.	High	●	●		<ul style="list-style-type: none"> • Equipment Director • <i>PATCO General Manager</i> • <i>Equipment Director</i> • <i>Consulting support</i> 	<ul style="list-style-type: none"> • Similar to the need for updated policies and procedures PATCO-wide, the need for quality technical documentation for the maintenance of the truck assemblies in the car rehabilitation program is pressing. • It is impractical to expect the Equipment Director to spend his time drafting technical documentation. <p>Estimated costs: \$150,000</p>
PPC-12	Create Training Specialist positions within Equipment and Way & Power.	High	●			<ul style="list-style-type: none"> • PATCO General Manager • <i>Equipment Director</i> • <i>Way & Power Director</i> 	<ul style="list-style-type: none"> • Prior reviews, and this one, have noted deficiencies in the technical skills training afforded to PATCO workers, especially those in Equipment and Way & Power. • This recommendation adds a Training Specialist or Training Coordinator for each of these departments. They can be organized either within the separate departments or could be established as an independent unit within the office of the General Manager. <p>Estimated cost: \$130,000 in salaries plus benefits (estimated at the S10 level, equivalent to Safety Specialist, at \$65,000 annual salary each.)</p>

Index	Recommendation	Priority	Timing			Accountabilities	Implementation Notes
			FY 16	FY 17	Future		
PPC-13	Provide adequate resources to support the implementation of accepted audit recommendations.	High	●	●	●	<ul style="list-style-type: none"> Board of Commissioners <i>DRPA Chief Executive Officer</i> <i>PATCO General Manager</i> 	<ul style="list-style-type: none"> If the Authority is to achieve the intended benefits of the external management audit program, resources must be allocated to support the adoption and execution of the recommendations accepted by management. <p>Estimated cost: Unknown, dependent on audit recommendations.</p>

APPENDICES

The following appendices include more detailed information supporting the audit team's findings and recommendations.

- Appendix A – List of Source Documents
- Appendix B – List of Interview Participants
- Appendix C – Citizen Advisory Committee Focus Group Summary
- Appendix D – Internal Support Services Survey Detail
- Appendix E – Compensation Survey Data
- Appendix F – Workflow Focus Group Summaries
- Appendix G – DRPA / PATCO Response to the Management Audit

Appendix A: List of Source Documents

Appendix A: List of Source Documents

DRPA/PATCO Governing Documents

1. DRPA Compact
2. DRPA By Laws
3. Reform_Resolutions
 - a. 10-040 Creates an Audit Committee for the Board of Commissioners
 - b. 10-041 Calls for open DRPA Board meetings
 - c. 10-043 DRPA commissioners, officers, and employees should avoid the appearance of improprieties
 - d. 10-044 Implements procedures for contracts
 - e. 10-045 All vendors must disclose political contributions (This resolution has been criticized due to its inclusion of all vendors. (Int 50, Int 51)
 - f. 10-046 Contracts are awarded in open meetings
 - g. 10-047 Prohibits gifts of value to commissioners, officers, and employees
 - h. 10-048 Revises policies regarding employment of relatives of commissioners, officers, and employees
 - i. 10-049 Ends the practice of holding caucus meetings
 - j. 10-050 Forms a Compensation Review Committee to review officer and director compensation
 - k. 10-051 Requires commissioners to file financial statements as required by their states and calls for cooperation with the NJ Controller's audit of DRPA
 - l. 10-052 Clarifies policy on outside employment by officers and directors
 - m. 10-053 Eliminates monetary charitable and civic contributions by DRPA
 - n. 10-055 Sets policy for prohibiting undue influence by commissioners, officers, and employees.
 - o. 10-056 Eliminated auto allowances for commissioners, officers, and employees
 - p. 10-057 Elimination of bridge passes and PATCO credits for commissioners, officer, employees, and retirees
 - q. 10-058 Eliminates assistant to the Vice Chairman and Chief Public Safety Officer positions
 - r. 10-059 Consolidation of corporate secretary function
 - s. 10-060 Advance notice of 48 hours to Board members for placement of items on meeting agendas
 - t. 10-061 Calls for DRPA review of travel expenditure policy
 - u. 10-062 Calls for ceasing to provide funds for projects that are not directed to assets under DRPA direct control (bridges, commuter train, and cruise terminal). Specifically excludes economic development projects
 - v. 10-063 Requires Board meetings in Philadelphia
 - w. 10-064 Requires true up provisions for insurance contracts
 - x. 10-066 Eliminated the full time position of assistant to the Chairman
 - y. 10-070 Establishes Audit Committee membership and shortens audit intervals
 - z. 10-071 Defines Compensation Review Committee membership
 - aa. 10-074 Prohibits commissioners and executive level employees from recommending to contractors, vendors, or grant recipient the hiring or employment of another person
 - bb. 10-088 Calls for holding an annual evening meeting in New Jersey
 - cc. 10-093 Establishes Citizens Advisory Committee
 - dd. 10-097 Provides requirement for placement of items on Board agendas
 - ee. 10-098 Sets contracting thresholds

- ff. 10-113 Provides for certification of vendors regarding political contributions
- gg. 10-139 Amends policy on expense reimbursement
- hh. 11-080 Provides for a competitive process for selecting financial Advisors
- ii. 11-088 Provides for selection of independent auditors through a competitive process
- jj. 11-111 Describes required disbursement of remaining economic development funds
- kk. 12-007 Creates an Inspector General position

General Manager

- 2. PATCO Policies and Procedures Manual
- 3. PATCO Strategic Plan
- 4. Performance Indicators 2014
- 5. DRPA Crisis Communications Plan 9-13-2013
- 6. Assessing the Authority's Procurement Process Lean Govt November 20 presentation
- 7. CEO's Outreach to employees
- 8. Census Data re Language Spoken in Region
- 9. Degrees of Disadvantage Map
- 10. Title VI FINAL FTA Approved Updated Public Participation Plan
- 11. Reports of the General Manager:
 - a. MR 2015.03
 - b. MR 2015.02
 - c. MR 2015.01
 - d. MR 2014.12
 - e. MR 2014.11
 - f. MR 2014.10
 - g. MR 2014.09
 - h. MR 2014.08
 - i. MR 2014.07f
- 12. PATCO Constant Contact Feedback Survey results (June, 2013)
- 13. Constant Contact Communications Survey results (May, 2012)
- 14. Constant Contact Quiet Car Survey results (May, 2012)
- 15. Database Summary of Customer Input Subjects
- 16. Disclosure of DRPA Lobbying Activities 2013
- 17. General Informational / Promotional materials
 - a. Delaware Valley Regional Planning Commission Report: Destination 2030
 - b. PATCO Timetable
 - c. Ride With Freedom brochure
 - d. Freedom Connected brochure
 - e. PATCO Reduced Fare Program brochure (English and Spanish)
 - f. PATCO Joy Rides brochure
 - g. Ben Franklin Bridge Rehabilitation informational flyer
- 18. Outsourced Services listing
- 19. New Jersey Office of State Comptroller Report 2012
- 20. PATCO Transit Asset Management (March, 2015 draft)
- 21. Transit Asset Management Fact Sheet
- 22. FTA Asset Management Guide FINAL
- 23. Transit Asset Management Pilot Presentation (Chicago RTA)

24. FTA Transit Asset Management Briefing

Organization Charts

1. Dept Org Chart - Equipment
2. Dept Org Chart - Fare Collection
3. Dept Org Chart - Finance
4. Dept Org Chart - Office of the General Manager
5. Dept Org Chart - Purchasing
6. Dept Org Chart – Systems Safety
7. Dept Org Chart - Transit Services
8. Dept Org Chart - Way and Power
9. DRPA OIG Org Chart V2 Final 100414
10. DRPA Organizational Chart 1.12.15
11. PATCO Organizational Chart 12.23.14

Internal Support Services

Finance

1. 2011 Annual Report
2. 2012 Annual Report
3. 2012 PATCO Operating Budget
4. 2013 Annual Report
5. 2014 Annual Report
6. 2013 PATCO Operating Budget
7. 2014 PATCO Operating Budget
8. 2015 PATCO Approved Budget
9. DRPA 2011 Management Letter
10. DRPA 2012 Management Letter
11. DRPA 2013 Management Letter
12. DRPA 2015 Capital Improvement Program
13. PATCO Fare Schedule
14. PATCO Finance SOPs
15. PATCO Pro Forma Financial Forecast
16. Payroll Procedures
17. Reduced Fare Program

Purchasing

1. Contracting and Procurement Policy – Authority Revised Series 300
2. 2014 Procurement Timelines
3. Ending MBE-WBE 2014 report
4. Inventory Cycle Count memo 1st quarter 2015
5. Inventory Cycle County memo 2nd quarter 2015
6. Inventory Management
7. Issuing Non-Stock Items procedure diagram
8. Issuing Stock Items procedure diagram
9. PATCO Planned Issue Inventory value at 092515
10. Purchasing Contract Timelines
11. RFP Boilerplate
12. Year Ending 2014 ALL 2014 report

13. Yearly Summary of PO's-2014
14. Yearly Summary of Progress to 2014
15. Yearly Total 2012 Comparison

Human Resources

1. Collective Bargaining Agreement Between the Port Authority Transit Corporation and Teamsters Local Union No. 676
2. Job Titles and Pay Grades listing
3. Compensation plan range structure
4. 2014 Open Enrollment Informational Meetings presentation for 2015 plan year
5. Succession Planning – retirement eligibility forecast
6. PATCO Separations Analysis (2012 2013 2014)
7. PATCO Turnover Statistics By Dept Job Class (2012 2013 2014)
8. PATCO Job Descriptions
9. Review of Salary Actions (black out)

Information Technology

1. PATCO IT Automated Systems listing
2. Acceptable Encryption Policy - NEW
3. Acceptable Use Policy - NEW
4. Access Control Policy - NEW
5. Anti-Virus Software Policy - NEW
6. Audit Policy - NEW
7. Change Management Policy - NEW
8. Data Backup Policy
9. Data Breach Response Policy - NEW
10. Data Classification Policy
11. DMZ Policy
12. Electronic Media Destruction Policy
13. Email Policy
14. Existing Environment - Revised
15. Help Desk Protocol
16. Incident Response Plan-v1
17. Laptop Policy
18. Network Perimeter Security Policy
19. New Computer Privacy
20. Password Policy
21. Patch Management Policy
22. PCI Service Provider Policy
23. Physical Security Control Policy
24. Protection of Cardholder Data Policy
25. Remote Access Policy
26. Removable Media Policy
27. Router Security Policy
28. Software Development Policy
29. System Configuration Policy
30. Wireless Communications Policy

Transit Services Department

1. Transit Services Standard Operating Procedures / Emergency Procedures documents
 - a. Dispatcher Procedures Booklets 1-14
 - b. Emergency Procedures Booklets 1-14
 - c. Customer Service Agent Procedures Booklets 1-8
2. Employee Training and Testing documents and forms:
 - a. 2014 Equipment Test B Supervisors
 - b. 2014 Equipment Test B Train Operators
 - c. 2014 Equipment Test B Train Operators Answer Sheet
 - d. 2014 Equipment Test D Supervisors
 - e. 2014 Phase I Reinstruction cover letter
 - f. 2014 Phase II Reinstruction cover letter
 - g. 2014 Rules Test B Supervisors
 - h. 2014 Rules Test D Supervisors
 - i. 2014 Rules Test D Train Operators
 - j. 2014 Rules Test D Train Operators answer sheet
 - k. 2014 Supervisor Reinstruction Itinerary
 - l. 2014 Supervisor Reinstruction Itinerary
 - m. 2014 Train Operator Reinstruction itinerary
 - n. 2014 Train Operator Reinstruction Itinerary
 - o. 2014 Supr. Reinstruction Test Scores
 - p. Alstom 1000 Series itinerary
 - q. Alstom 1000 Series itinerary
 - r. Alstom Series 1000 Car Test cover page
 - s. Alstom Test Check List 2014
 - t. Check off List
 - u. CSA Field Instruction 2014
 - v. CSA Itinerary 2014
 - w. CSA Reinstruction 2014
 - x. CSA Reinstruction 2014 Answers
 - y. CSA Staff meeting agenda 2014
 - z. Customer Service Agent Training
 - aa. Customer Service Agent Training - Outline
 - bb. Dispatcher Re-instruction
 - cc. Dispatcher Reinstruction Equipment Test
 - dd. Dispatcher Trainee Timeline 12-12
 - ee. Dispatcher Trainee Timeline Internal
 - ff. Dispatcher Training Program Week 1
 - gg. Dispatcher Training Program Week 11 through 12
 - hh. Dispatcher Training Program Week 1-3
 - ii. Dispatcher Training Program Week 13 through 16
 - jj. Dispatcher Training Program Week 16
 - kk. Dispatcher Training Program Week 17
 - ll. Dispatcher Training Program Week 18 through 21
 - mm. Dispatcher Training Program Week 22
 - nn. Dispatcher Training Program Week 23 through 37
 - oo. Dispatcher Training Program Week 2-4
 - pp. Dispatcher Training Program Week 27
 - qq. Dispatcher Training Program Week 28 through 29

- rr. Dispatcher Training Program Week 30 through 33
 - ss. Dispatcher Training Program Week 38
 - tt. Dispatcher Training Program Week 39
 - uu. Dispatcher Training Program Week 40 through 41
 - vv. Dispatcher Training Program Week 42 through 45
 - ww. Dispatcher Training Program Week 5
 - xx. Dispatcher Training Program Week 6 through 7
 - yy. Dispatcher Training Program Week 8 through 10
 - zz. Dispatcher Training Program Week 4 through 5
 - aaa. Dispatcher Training Program Week 6 through 15 and 17 through 26
 - bbb. Dispatcher's Rules Test 2014 rev 10-28
 - ccc. Door Incidents Train Operator Reinstruction
 - ddd. Equipment Test Check List 2014 Supervisor
 - eee. Equipment Test Check List 2014 Supervisor
 - fff. Rules Test Check List 2014
 - ggg. Rules Test Check List 2014 Supervisor
 - hhh. Safety Sensitive Rules Re-Take Wrong Answers
 - iii. Safety Sensitive Rules Re-Take Wrong Answers 2013
 - jjj. Safety Sensitive Rules Re-Take Wrong Answers 2013
 - kkk. Supervisor Training program
 - lll. Train Operator Quiz for series 1000
 - mmm. Train Operator Quiz for series 1000
 - nnn. Train Operator Test Scores 2014
 - ooo. Train Operator Test Scores 2014
 - ppp. Train Operator Training Program 2015
3. 2012 PATCO Monthly Passenger Statistics report
 4. 2013 PATCO Monthly Passenger Statistics report
 5. 2014 PATCO Monthly Passenger Statistics report
 6. ADA Potential Transportation Alternative- NJ Stations
 7. Evaluation of Employees
 8. Preparing Cars for Revenue Service
 9. Protection for Employees in Track Area
 10. Rule Book - 01-WorkRules
 11. Rule Book - 02-SafetyRules
 12. Rule Book - 04-InstructionManual
 13. Rule Book - 05-Policies
 14. Rule of the day

Equipment Department

1. Inspection and maintenance checklists
 - a. "A" Inspection checklist
 - b. "B" Inspection checklist
 - c. "C" Inspection checklist
 - d. Annual air conditioning maintenance checklist
 - e. Annual lubrication checklist
 - f. Budd Double Even C Valve Change
 - g. Budd Double Even C-1 Valve Change
 - h. Budd Double Odd C Valve Change
 - i. Budd Double Odd C-1 Valve Change

- j. Deferred maintenance checklist
 - k. Electrical C valve changeout record form
 - l. Equipment calibrations schedule
 - m. Equipment Test Check List 2014
 - n. Equipment-Maintenance data list with notes
 - o. PATCO Equipment Alignment Procedure -00101-76 Air Brake Alignment Record - Single Car
 - p. PATCO Equipment Alignment Procedure-00102-76 Air Brake Alignment Record - Married Pairs
 - q. PATCO Equipment Maintenance Procedure - 00901 - 76 Electrical inspection instruction
 - r. PATCO Equipment Maintenance Procedure – Mainline transit car rescue procedure (withdrawn)
 - s. PATCO Equipment Maintenance Procedure -00901-76 Rev 7 Electrical A Inspection
 - t. PATCO Equipment Maintenance Procedure 00905-76-5 Electrical monthly routine
 - u. PATCO Equipment Maintenance Procedure -01100-84 Airbrake system component checkout
 - v. PATCO Equipment Maintenance Procedure -01901-82 Rev. 8 Dec. 19, 2005 Mechanical A-B-C Inspection
 - w. PATCO Equipment Maintenance Procedure -01903-76 Mechanical Monthly routine
 - x. PATCO Equipment Maintenance Procedure 1901 Rev 8-A,B,C Inspection with Fire Extinguisher
 - y. Single Car C Valve Change
 - z. Single Car C Valve Change
 - aa. Single Car C-1 Valve Change
 - bb. Single Car C-1 Valve Change
 - cc. Truck frame inspection
 - dd. Vickers Double Even C Valve Change
 - ee. Vickers Double Even C Valve Change
 - ff. Vickers Double Even C-1 Valve Change
 - gg. Vickers Double Even C-1 Valve Change
 - hh. Vickers Double Odd C Valve Change
 - ii. Vickers Double Odd C Valve Change
 - jj. Vickers Double Odd C-1 Valve Change
 - kk. Vickers Double Odd C-1 Valve Change
 - ll. Wheel slip test form 1
 - mm. Wheel slip test form II
2. Car Mean Distance Between Failures report
 3. Car Reliability and Maintainability Report
 4. Equipment Department Monthly Reports – March 2014-January 2015
 5. Equipment Maintenance Instruction - Test Measurement and Diagnostic Equipment
 6. Hazardous Waste Process diagram
 7. Rail car history report
 8. Rolling stock schedule
 9. RCM Audit Findings
 10. Training for Maintenance Staff

Way & Power Department

1. Way & Power SOP Manual
2. Daily Elevator Escalator Report
3. Elevator and Escalator Maintenance Contract - 2014 06
4. Elevator Escalator Work Orders
5. Elevator Inspection Procedure
6. Escalator Daily Inspection - Inspection Car...List of Items
7. Escalator Daily Inspection - Inspection Car...List of Items
8. Escalator Daily Safety Inspection Procedure
9. Escalator Daily Safety Inspection Procedure
10. Escalator Daily Safety Inspection Procedure

Passenger Services & Fare Collection Department

1. DRPA-15-090 Amendment to Current DRPA Bridge Toll Schedule to Implement Discounted Tolling Program for Certain Passenger Vehicles and Related Actions
2. Cubic 9400-00010 - Business Rules for Fare Collection System
3. Passenger Services Dept SOP's - Currently Under Revision

Systems Safety Department

1. PATCO System Safety Program Plan - July 12 2013
2. Triennial On Site Safety Review
3. PATCO Safety and Security Certification Plan
4. FY2013 Triennial Review Package
5. Safety Administrative Manual
6. DRPA - FY 2013 Review Closeout Letter
7. Emergency Operations Plan
8. Note from PATCO on fatigue training
9. Bloodborne Pathogen Training Dec 2014
10. Drug Free Workplace Policy
11. Contractor Training - Part 1
12. Contractor Training - Part 2
13. Emergency Responder Training
14. 2014 PATCO Full Scale Emergency Exercise - November 18, 2014
15. 2012 Full Scale Exercise preparation manual
16. PATCO Drug and Alcohol Compliance Audit Final Report
17. Fatigue Awareness Training - Certificate
18. Fatigue Awareness Training - Train Operator Reinstruction Agenda
19. Continuity of Operations Plan
20. Spill Prevention Control and Countermeasure
21. Special Contract Provisions
22. PATCO Accident-Incident Investigation Internal Audit Final Report
23. PATCO Hazard Management Internal Audit Report 2-8-2013
24. PATCO Safety Certification Internal Audit Report Final
25. PATCO Security Internal Audit Report 5-16-2013 rev1
26. PATCO Shop Safety and Shop Equipment 6-5-2014
27. Training Audit
28. State Safety Oversight Audit of the New Jersey Department of Transportation - 2011
29. Fitness for Duty - from Rule Book

30. Employee Injury Records 5 years
31. Safety Meeting Minutes:
 - a. April 2014 SACC Minutes
 - b. August 2014 SACC Minutes
 - c. January 2015 SACC Minutes
 - d. Joint Workplace Meeting Minutes 4-9-14
 - e. Joint Workplace Meeting Minutes 7-09-14
 - f. July 2014 SACC Minutes
 - g. June 2014 SACC Minutes
 - h. March 2014 SACC Minutes
 - i. May 2014 SACC minutes
 - j. November 2014 PATCO SACC meeting minutes
 - k. October 2014 SACC Minutes
 - l. September 2014 PATCO SACC Minutes
32. Subrecipient FTA Oversight Procedure January 2014
33. Supplemental DRPA Escalator and Elevator Information for FTA

Prior Management Audit Reports

1. 2012 DRPA Management Audit
2. DRPA Management Audit TTM

Appendix B: List of Interview Participants

**Appendix B:
List of Interview Participants**

Department	Position	Participant
DRPA Administration	DRPA CEO / PATCO President	Hanson, John
	Strategic Services Manager	Maroney, Christina
DRPA Emergency Management	Emergency Management Director	Shiver, Robert
DRPA Engineering	Engineering Manager	Howard, Michael
	Chief Engineer	Venuto, Michael
DRPA Finance	Chief Financial Officer	White, James
DRPA Human Resources	Human Resources Director	Forbes, Kelly
DRPA Information Services	ERP Project Manager (contractor)	Liszewski, Dave
	Information Services Director	LaMarca, Kevin
DRPA Purchasing	Procurement & Stores Manager	Squillace, Susan
Equipment	Custodian	Adams, Lori
		Ashton, Ray
		Mack, Jimesha
	Electrical Foreman	Lewis, Robert
		McHorney, Mike
	Electrical Manager	Kennedy, Steven
	Electrician	Cantwell, Tim
		Crosby, Ed
		Duke, Joe
	Electrician / AC	Eichmann, Harry
		Kolb, John
	Electronic Technician	Anderson, William
		Schroeder, Jack
	Equipment Director	Traver, Robert
	Equipment Mechanic	Cannan, Craig
	Machinist 1st Class	Blaus, Mike
	Machinist 1st Class - Tool Maker	Player, Rich
	Maintenance Mechanic 1st Class	Miller, Michael
	Mechanic	Colanzi, Rob
		Lawrence, Paul
Mechanical / Custodial Manager	Lewis, Ray	
Mechanical / Custodial Foreman	Profico, Albert	
	Walker, Joseph	
Passenger Services & Fare Collection	Electronic Technician	Henderson, Bob
	Fare Collection Director	Imperatore, Kathleen
	Fare Collection Repairman	Fulginiti, Tony
	Fare Maintenance Foreman	Olivo, Phil
	Money Room Supervisor	Christina, Joe
	Passenger Services Supervisor	Cuevas, Sylvia
	Station Supervisor	Randall, Delores

Appendix B: List of Interview Participants

Page B - 2

Department	Position	Participant
PATCO Finance	Finance Director	Lotierzo, John
	Senior Accountant	DeLuca, Frank
		Hyslop, Kevin
PATCO General Manager	Administrative Coordinator to the GM	Dougherty, Karen
	Assistant General Manager	Cornelius, Bennett
	General Manager	Rink, John
	Project Manager	Spinelli, Phil
PATCO Purchasing	Purchasing Agent	Zamorski, Thomas
	Purchasing Specialist	Keller, Constance
Systems Safety	System Safety Manager	Fullerton, Dave
	Safety Specialist	Hutnick, Lyle
		Mirra, Chiare
Transit Services	Customer Service Agent	Mitchell-Reed, Shirla
	Dispatcher	Dawson, John
	Supervising Dispatcher	Meads, Randolph
	Supervisor	Egolf, Bill
	Technical Supervisor	Gobeler, William
	Train Operator	De Simone, Elizabeth
		Haxter, Paul
		O'Brien, Mark
		Prince, Joe
	Transit Services Director	McBride, Patrick
Way & Power	Custodial Foreman	Callinan, Dave
	Custodian	Roberts, Irwin
	Electrical Foreman	DeOliviera, Ricardo
		Fox, Gary
		Linett, Fred
	Electronic Technician	Dorn, Phil
	Groundskeeper	Weber, Chris
	M&S Technician	Giunta, Vito
	Maintainer	Simila, Bill
	Maintenance Operator	Bolling, Carnell
	Manager	Dixon, Mark
		Glennan, Chuck
		MacGregor, Brian
	Technical Supervisor	Herron, Thomas
	Track Foreman	Cassidy, Steve
		Dobleman, John
		Metz, Luke
Track Mechanic	Riggs, Eric	
Way & Power Director	Shaw, Bill	

Appendix C: Citizen Advisory Committee Focus Group Summary

PATCO Management Audit

Citizens Advisory Committee Focus Group Summary

<p style="text-align: center;">+ PLUS (What works well?)</p>	<p style="text-align: center;">▲ DELTA (What positive changes would be helpful?)</p>
<p>PATCO provides 24 hour a day / 7 day a week service.</p>	<p>Provide real time, graphical train status information on electronic sign boards and online (especially signage outside of the gates). (12)*</p>
<p>Service is highly reliable.</p>	<p>Provide discounts for frequent riders (loyalty program). (9)</p>
<p>The frequency of available trips is good.</p>	<p>Maintain the right stakeholders at the Board level. (Recent appointments and trends appear positive; want to understand the objectives of the new Commissioners with respect to PATCO.) (4)</p>
<p>PATCO trains and stations are clean, especially compared to Philadelphia / SEPTA.</p>	<p>Make GTFS (General Transit Feed Specification) data available to application developers. (4)</p>
<p>PATCO is highly responsive to rider inquires via Twitter and email.</p>	<p>Provide more weekend service to support special events (sporting events, concerts, etc.) (3)</p>
<p>Automation of ticket vending and station access – PATCO was a national leader in the adoption of this technology.</p>	<p>Develop a system of “dynamic scheduling” to allow the service to expand and contract in response to known events creating peak passenger demand. (3)</p>
<p>Recent addition of fans to PATCO stations.</p>	<p>Provide handicapped access in all PATCO stations. (3)</p>
<p>Escalators are now operable (after problems last year.)</p>	<p>Provide WiFi and cellular service in PATCO cars and stations. (3)</p>
<p>The availability of bicycle parking at all stations.</p>	<p>Expand the Transit Ambassador program to provide more coverage at stations. (2)</p>
<p>Low fares and cheap parking.</p>	<p>Provide improved services in PATCO stations. (Retail services including food, personal services such as dry cleaning, etc.) (2)</p>
<p>Dedicated and helpful PATCO employees.</p>	<p>Provide more frequent trains on late nights (immediately before and after bar closings) and for special events. (2)</p>
<p>Station Supervisors and Transit Ambassadors work to provide personal service, e.g. verbal announcements of train arrivals, delays, etc.</p>	<p>Don't defer maintenance to the system. (A sense that prior issues with elevators and escalators, as well as the improvements to the Ben Franklin Bridge were brought about by inattention to preventive maintenance.) (2)</p>

<p style="text-align: center;">+ PLUS (What works well?)</p>	<p style="text-align: center;">▲ DELTA (What positive changes would be helpful?)</p>
<p>PATCO doesn't feel like a government run transit system.</p>	<p>Improve the coordination / alignment of PATCO and SEPTA schedules. (2)</p>
<p>The speed of the commute.</p>	<p>Need for more Transit Oriented Development. (1)</p>
<p>24 hour access for bicycle riders.</p>	<p>Improve interoperability of the other commuter rail service providers (SEPTA and New Jersey Transit), especially ticket / fare pass purchase systems. (1)</p>
<p>Recent trends are very positive including the introduction of the new rail cars, various station improvements and the ability to purchase fares via credit card (not just the Freedom Card).</p>	<p>Need to minimize schedule disruptions (as-in the current schedule changes for the bridge rehabilitation project.) (1)</p>
<p>PATCO's leadership (at all levels, up to and including DRPA leadership) is making a positive difference.</p>	<p>Improve the communication of schedule changes. (Signage, web, social media, etc. Some people interpret the regular reminder notices of the transition to the weekend schedule as a new schedule change notice.) (1)</p>
	<p>Don't debit fare cards in the event of a very short interval between "tap-in" and "tap-out." Current process of securing a refund is seen as cumbersome.</p>
	<p>Provide more / better security on trains and in stations.</p>
	<p>Do not eliminate the SETPA transfer fare discount program.</p>
	<p>Stop missing published deadlines on important projects, e.g. deployment of the new rail cars.</p>
	<p>Don't "overshoot" on "geographic equalization" (with respect to DRPA / PATCO hiring, services, spending, etc.)</p>
	<p>Do not eliminate the SETPA transfer fare discount program.</p>

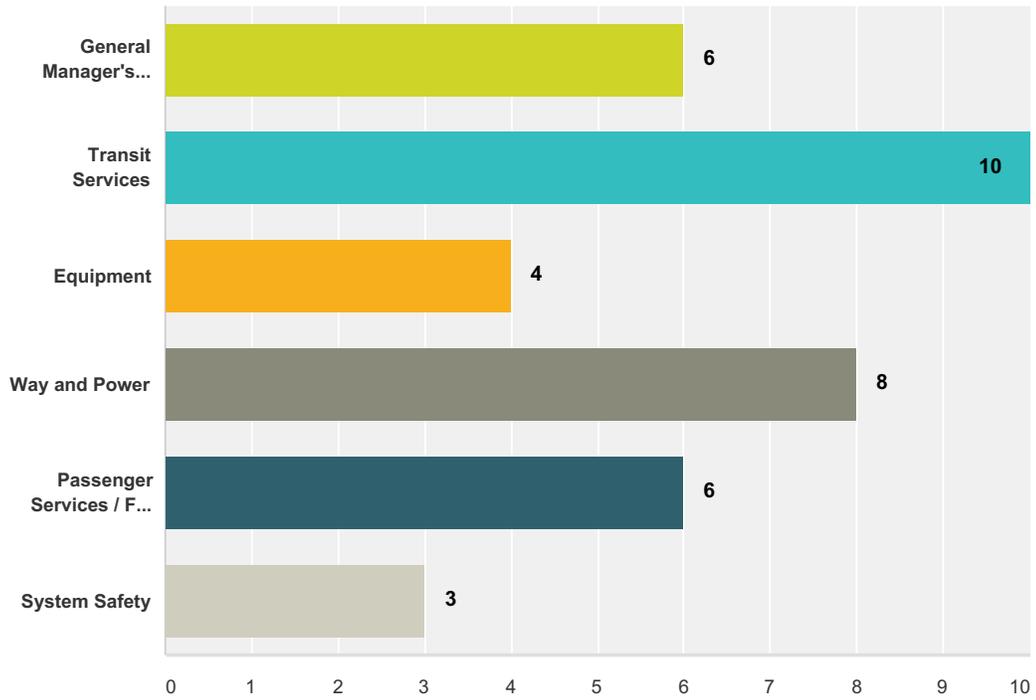
*Numbers in parentheses in the Delta column indicate the number of votes received in the prioritization exercise.

Appendix D: Internal Support Services Survey Detail

Internal Support Services Satisfaction Survey

Q1 To which of the following PATCO departments are you currently assigned?

Answered: 37 Skipped: 0

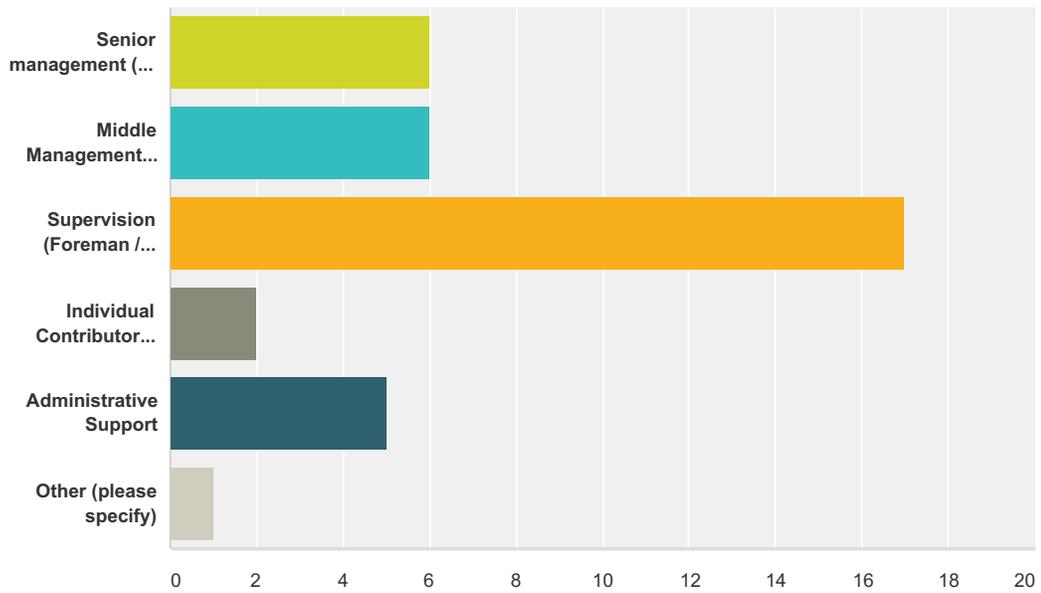


Answer Choices	Responses
General Manager's Office	16.22% 6
Transit Services	27.03% 10
Equipment	10.81% 4
Way and Power	21.62% 8
Passenger Services / Fare Collection	16.22% 6
System Safety	8.11% 3
Total	37

Internal Support Services Satisfaction Survey

Q2 Which of these best describes your role within the PATCO organization?

Answered: 37 Skipped: 0



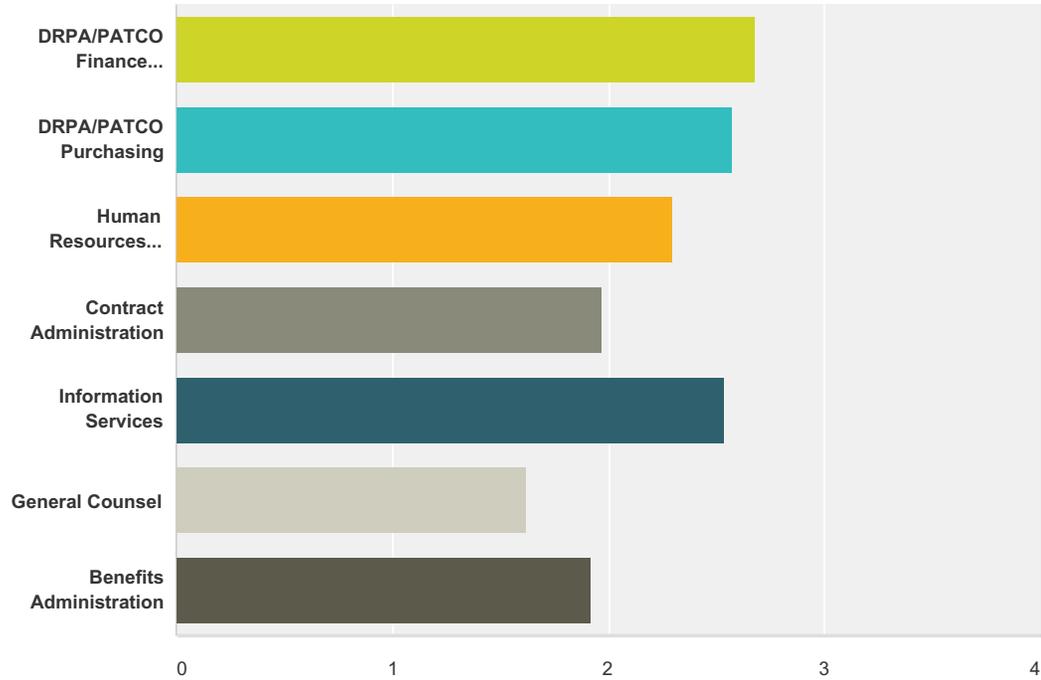
Answer Choices	Responses
Senior management (GM / AGM / Director)	16.22% 6
Middle Management (Asst. Director / Technical Supervisors / Manager)	16.22% 6
Supervision (Foreman / Supervisor)	45.95% 17
Individual Contributor (Non-supervisory professional or technician)	5.41% 2
Administrative Support	13.51% 5
Other (please specify)	2.70% 1
Total	37

#	Other (please specify)	Date
1	DISPATCHER	8/12/2015 9:41 PM

Internal Support Services Satisfaction Survey

Q3 Approximately how often do you interact with the following internal support service providers?

Answered: 37 Skipped: 0

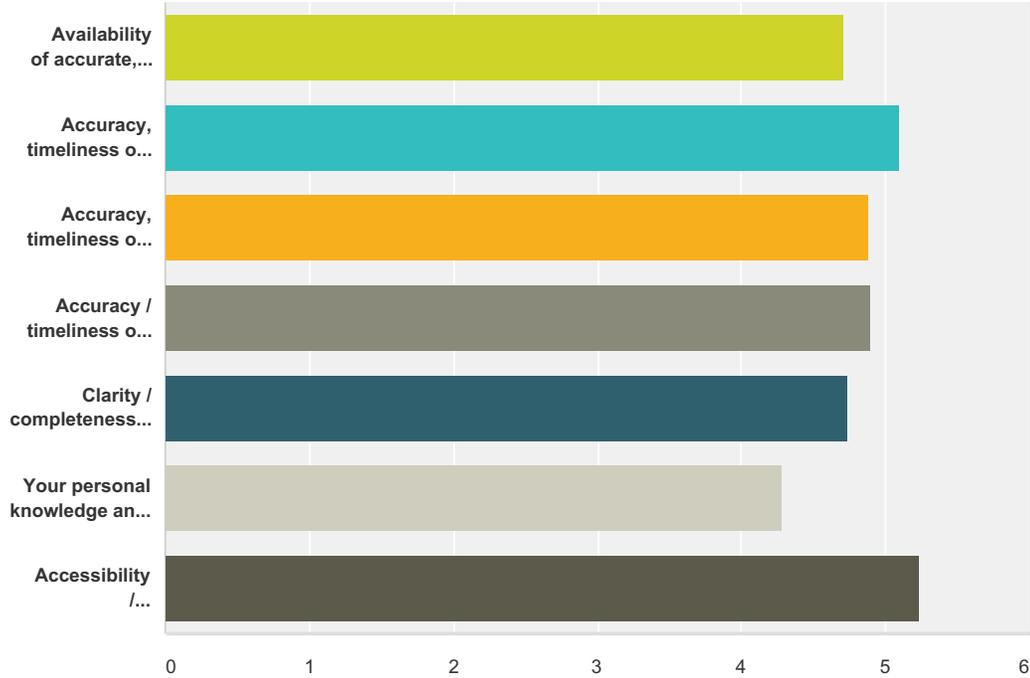


	Almost Never	Rarely (quarterly or less)	Occasionally (monthly or less)	Frequently (weekly or more)	Total	Weighted Average
DRPA/PATCO Finance (accounting, payroll, budget, etc.)	29.73% 11	13.51% 5	16.22% 6	40.54% 15	37	2.68
DRPA/PATCO Purchasing	32.43% 12	10.81% 4	24.32% 9	32.43% 12	37	2.57
Human Resources (recruitment, selection, compensation, training, etc.)	32.43% 12	27.03% 10	18.92% 7	21.62% 8	37	2.30
Contract Administration	45.95% 17	21.62% 8	21.62% 8	10.81% 4	37	1.97
Information Services	24.32% 9	27.03% 10	18.92% 7	29.73% 11	37	2.54
General Counsel	64.86% 24	13.51% 5	16.22% 6	5.41% 2	37	1.62
Benefits Administration	32.43% 12	43.24% 16	24.32% 9	0.00% 0	37	1.92

Internal Support Services Satisfaction Survey

Q4 Finance (accounting, payroll, budget, etc.) including DRPA Finance and the PATCO finance office.

Answered: 33 Skipped: 4



	Very Satisfied	Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Dissatisfied	Very Dissatisfied	Not Applicable / No Opinion	Total	Weighted Average
Availability of accurate, timely financial / budget management reports.	9.09% 3	36.36% 12	15.15% 5	0.00% 0	0.00% 0	3.03% 1	36.36% 12	33	4.71
Accuracy, timeliness of payroll processing.	24.24% 8	54.55% 18	9.09% 3	3.03% 1	0.00% 0	0.00% 0	9.09% 3	33	5.10
Accuracy, timeliness of accounts payable process.	6.45% 2	41.94% 13	6.45% 2	3.23% 1	0.00% 0	0.00% 0	41.94% 13	31	4.89
Accuracy / timeliness of revenue analysis.	4.35% 1	30.43% 7	8.70% 2	0.00% 0	0.00% 0	0.00% 0	56.52% 13	23	4.90
Clarity / completeness of financial management policies and procedures documentation.	6.25% 2	40.63% 13	3.13% 1	9.38% 3	0.00% 0	0.00% 0	40.63% 13	32	4.74
Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on financial processes and procedures.	3.23% 1	32.26% 10	16.13% 5	12.90% 4	3.23% 1	0.00% 0	32.26% 10	31	4.29
Accessibility / responsiveness of Finance staff.	18.75% 6	46.88% 15	3.13% 1	0.00% 0	0.00% 0	0.00% 0	31.25% 10	32	5.23

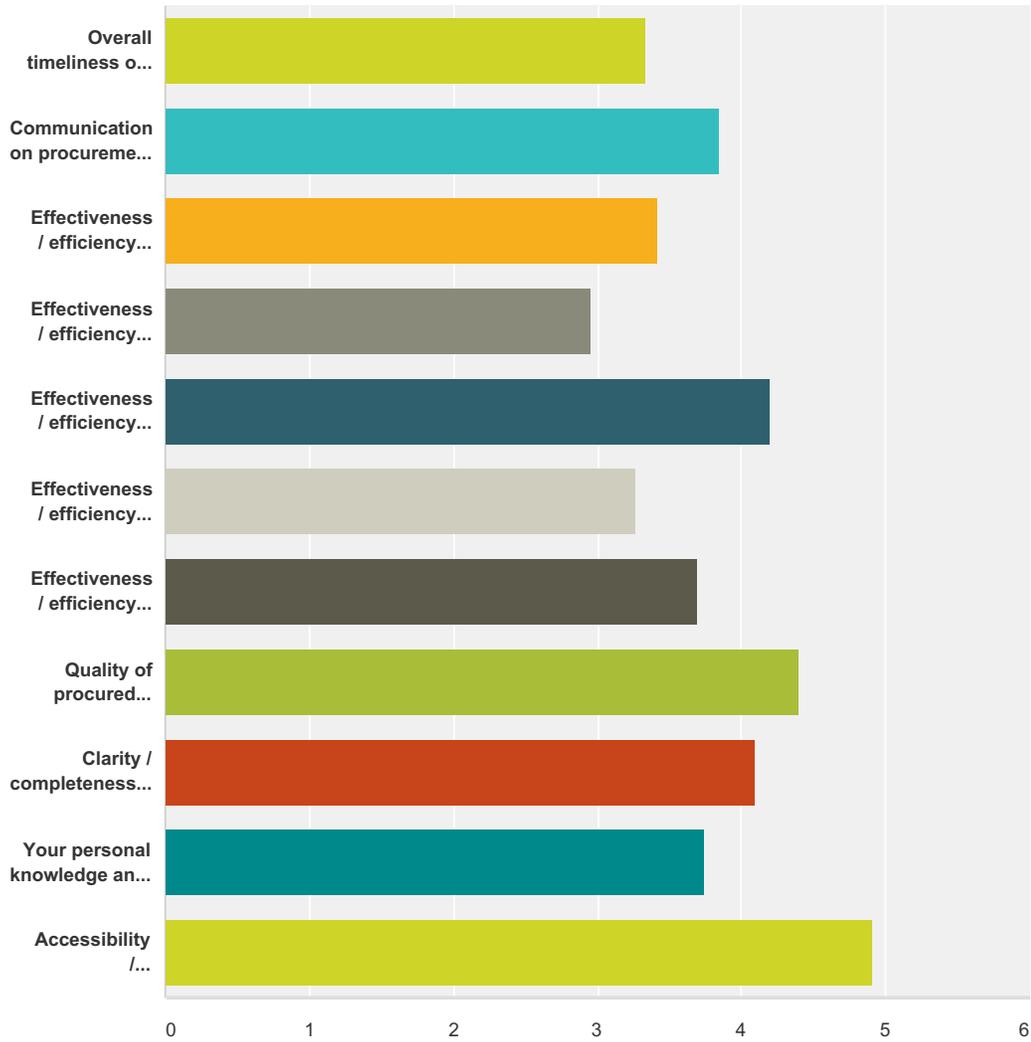
Internal Support Services Satisfaction Survey

#	Comments for "Availability of accurate, timely financial / budget management reports."	Date
1	Good service	8/14/2015 10:30 AM
2	Receive too many reports that are not needed, or contain minimal information	8/7/2015 9:35 AM
3	Finance reporting is hobbled by ancient technology. I expect eventual improvement with the deployment of SAP.	8/6/2015 8:35 AM
#	Comments for "Accuracy, timeliness of payroll processing."	Date
1	Payroll is dependable and prompt. Only problem from DRPA side is the resolution of the occasional payroll issue for employees. Generally meet resistance from one person	8/14/2015 10:30 AM
2	As a mostly manual system, the number of errors is relatively low. Excellent management of payroll under the circumstances.	8/7/2015 9:35 AM
3	Payroll is also hobbled by old technology and should improve with the deployment of SAP. I'm not sure why this function is kept in house when it's typically outsourced for organizations of this size.	8/6/2015 8:35 AM
4	Payroll should be more proactive about communicating with employees when there will be a change in payroll.	8/6/2015 7:59 AM
#	Comments for "Accuracy, timeliness of accounts payable process."	Date
1	Too much time is wasted trying to procure parts and equipment this process must be streamlined somehow.	8/25/2015 2:52 PM
2	Good service.	8/14/2015 10:30 AM
3	if this means receiving material in a timely manner, we don't	8/6/2015 9:14 AM
#	Comments for "Accuracy / timeliness of revenue analysis."	Date
	There are no responses.	
#	Comments for "Clarity / completeness of financial management policies and procedures documentation."	Date
1	Clarification of procedures and documentation for new supervisors is nonexistent.	8/25/2015 2:52 PM
2	I am not satisfied with current policies that are supposed to document & manage the "Scope Of Work" of projects and work orders. This leads to confusion and "waste" and poor final results.	8/20/2015 2:09 PM
3	Some redundancy with document preparation could be reduced, or eliminated entirely.	8/7/2015 9:35 AM
#	Comments for "Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on financial processes and procedures."	Date
1	I am personally satisfied, however, the men that work under me are resisting the upcoming ERP system. I predict that there will be a long, long, long "learning curve".	8/20/2015 2:09 PM
2	No knowledge. No training as yet.	8/10/2015 2:06 PM
3	Have not been included in any of the planning activities, so don't have insight about what will happen in the future, and what will change.	8/7/2015 9:35 AM
4	I have only been trained on tablet 101	8/6/2015 9:14 AM
5	Haven't had class yet.	8/6/2015 12:20 AM
#	Comments for "Accessibility / responsiveness of Finance staff."	Date
1	Very happy with the Finance staff at PATCO and DRPA.	8/14/2015 10:30 AM

Internal Support Services Satisfaction Survey

Q5 Purchasing including DRPA Purchasing and the PATCO purchasing office.

Answered: 32 Skipped: 5



	Very Satisfied	Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Dissatisfied	Very Dissatisfied	Not Applicable / No Opinion	Total	Weighted Average
Overall timeliness of the purchasing process.	6.25% 2	9.38% 3	21.88% 7	12.50% 4	15.63% 5	9.38% 3	25.00% 8	32	3.33
Communication on procurement status (changes, delays, vendor concerns, etc.)	3.23% 1	29.03% 9	9.68% 3	6.45% 2	9.68% 3	6.45% 2	35.48% 11	31	3.85
Effectiveness / efficiency of purchasing authority delegations.	3.23% 1	12.90% 4	19.35% 6	3.23% 1	16.13% 5	6.45% 2	38.71% 12	31	3.42
Effectiveness / efficiency of purchasing approval thresholds / dollar limits.	3.13% 1	6.25% 2	21.88% 7	6.25% 2	15.63% 5	15.63% 5	31.25% 10	32	2.95

Internal Support Services Satisfaction Survey

Effectiveness / efficiency of blanket purchase order process.	3.13% 1	34.38% 11	12.50% 4	6.25% 2	6.25% 2	3.13% 1	34.38% 11	32	4.19
Effectiveness / efficiency of purchasing card program.	3.33% 1	6.67% 2	6.67% 2	3.33% 1	13.33% 4	3.33% 1	63.33% 19	30	3.27
Effectiveness / efficiency of store keeping operations and inventory management.	0.00% 0	16.13% 5	29.03% 9	6.45% 2	9.68% 3	3.23% 1	35.48% 11	31	3.70
Quality of procured products and services.	0.00% 0	32.26% 10	25.81% 8	6.45% 2	0.00% 0	0.00% 0	35.48% 11	31	4.40
Clarity / completeness of purchasing policies and procedures documentation.	3.23% 1	25.81% 8	22.58% 7	12.90% 4	6.45% 2	0.00% 0	29.03% 9	31	4.09
Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on purchasing processes and procedures.	0.00% 0	22.58% 7	19.35% 6	6.45% 2	6.45% 2	6.45% 2	38.71% 12	31	3.74
Accessibility / responsiveness of Purchasing staff.	12.90% 4	48.39% 15	9.68% 3	0.00% 0	3.23% 1	0.00% 0	25.81% 8	31	4.91

#	Comments for "Overall timeliness of the purchasing process."	Date
1	The purchasing process is ridiculous, too hard to buy what we need to make repairs.	8/25/2015 2:52 PM
2	Standard items are processed fast, however, that is only 50% of what we do. The other half is unique & special items that take a very long time to be processed.	8/20/2015 2:09 PM
3	Good processing. Sometimes things slow down because of the necessity to obtain 3 bids, but that's a requirement of the process, not the office itself. Purchasing group is prompt and effective.	8/14/2015 10:30 AM
4	Purchases take far too long to process, especially when purchases are for emergency items.	8/7/2015 9:35 AM
5	The process should not take so long	8/6/2015 3:36 PM
6	our purchasing seems fine (PATCO), I don't know what happens after that	8/6/2015 9:14 AM
7	Purchasing appears to be more concerned with adherence to requirements in the DRPA compact as opposed to efficient operation.	8/6/2015 8:35 AM
8	the purchasing process is held up by other factors such as Legal sign off.	8/6/2015 8:30 AM
9	Procurement process may too long, inefficient.	8/6/2015 5:23 AM

#	Comments for "Communication on procurement status (changes, delays, vendor concerns, etc.)"	Date
1	Feed back is poor. Sometimes substitutions and changes are made without the originator of the request being informed. Lack of "up-dates" makes it hard to plan and schedule work.	8/20/2015 2:09 PM
2	Do not receive any communication between the time purchases are sent for processing, and when the items are ordered and received. Usually have to call multiple times to find out the status of a PO.	8/7/2015 9:35 AM

#	Comments for "Effectiveness / efficiency of purchasing authority delegations."	Date
1	Purchasing authority delegation is not acceptable.	8/20/2015 2:09 PM
2	Approval limits way too long for effective processing, too many approvals.	8/6/2015 5:23 AM

#	Comments for "Effectiveness / efficiency of purchasing approval thresholds / dollar limits."	Date
1	Thresholds and "dollar limits" are a constant restriction to work order completion.	8/20/2015 2:09 PM
2	Dissatisfied with the purchasing dollar limits, the effect of "reform."	8/14/2015 10:30 AM
3	PATCO's B order need to be increased to \$1500. not \$ 250	8/6/2015 9:14 AM
4	restriction of purchases due to dollar amounts hampers efforts to effectively maintain/repair equipment in a timely manner	8/6/2015 9:05 AM

Internal Support Services Satisfaction Survey

5	The limits seem arbitrary.	8/6/2015 8:35 AM
#	Comments for "Effectiveness / efficiency of blanket purchase order process."	Date
1	Other facilities have the credit card system for their supervisors, why doesn't PATCO have it?	8/25/2015 2:52 PM
2	Blanket Purchase Orders are very helpful, but some times the dollar limit is a problem (see the question above).	8/20/2015 2:09 PM
3	dollar value too low, we should be issued P-cards with at least a \$2,000 dollar limit. the current Blanket limit is \$250.00 dollars	8/6/2015 9:05 AM
4	P-cards would work better.	8/6/2015 8:35 AM
#	Comments for "Effectiveness / efficiency of purchasing card program."	Date
1	Is this the credit card system?	8/25/2015 2:52 PM
2	I can not respond because I do not have access to a "Purchasing Card"	8/20/2015 2:09 PM
3	2 years ago, this would have been "dissatisfied," since "reform" had almost eliminated "P" cards. This has loosened a little and is now easier to work with.	8/14/2015 10:30 AM
4	need per purchase spending limit significantly increased from current limit of \$250.00	8/11/2015 2:47 PM
5	P-Card makes every-day purchases easier to make and track. Also facilitates an easy return of an unwanted item.	8/7/2015 9:35 AM
6	Office of the General Manager should have its own card and not have to track down another staff to use their card.	8/6/2015 3:36 PM
7	I believe we only have one purchasing card at PATCO and that is assigned to the Equipment Dept.	8/6/2015 9:07 AM
8	Not available at PATCO	8/6/2015 8:30 AM
9	We need more "P" cards.	8/6/2015 7:59 AM
10	N/A- don't use	8/6/2015 5:23 AM
#	Comments for "Effectiveness / efficiency of store keeping operations and inventory management."	Date
1	Replenishment of inventory is too slow.	8/25/2015 2:52 PM
2	The store room does keep good operations and inventory. However, Store Room does NOT support our operation 24/7. For that reason, we have to find a "work-around", and sometimes we "CANCEL".	8/20/2015 2:09 PM
3	Not open in the early morning when most needed.	8/7/2015 9:35 AM
4	except, we start work at 8am and PATCO's storerm opens at 9:30am, my men need materials to accomplish there tasks.	8/6/2015 9:14 AM
5	need to open the storeroom earlier, present time is 9:00am work crews start at 7:30am and 8:00am it delays the work flow	8/6/2015 9:05 AM
6	Most storeroom items should be available in self-service bins rather than requiring a signature. The process to get a "D" battery probably costs more than the battery.	8/6/2015 8:35 AM
7	Departments need to know when items are out of stock and there is a delay reordering.	8/6/2015 8:30 AM
#	Comments for "Quality of procured products and services."	Date
1	Procured products are reasonably good. Procured services are a problem because service providers are not always "monitored" well, and poor service results.	8/20/2015 2:09 PM
2	Some are good products, some are not. Some clearly are lowest-cost and meet the minimum requirements, but they're not a good product, and end up leading to more work to clean up after them or expend extra effort in the use of them.	8/14/2015 10:30 AM
3	sometimes low bidder is not the best quality	8/6/2015 8:30 AM
#	Comments for "Clarity / completeness of purchasing policies and procedures documentation."	Date
1	More needs to be done about instructing on proper procedures.	8/25/2015 2:52 PM
2	Purchasing policies are not clear to people that are outside of the purchasing department, and it appears that the policies are not applied equally in all cases.	8/20/2015 2:09 PM
3	some procedures are not clearly explained until after a mistake is made, changes in policies are not readily communicated	8/6/2015 9:05 AM
4	Need to be simplified	8/6/2015 8:30 AM

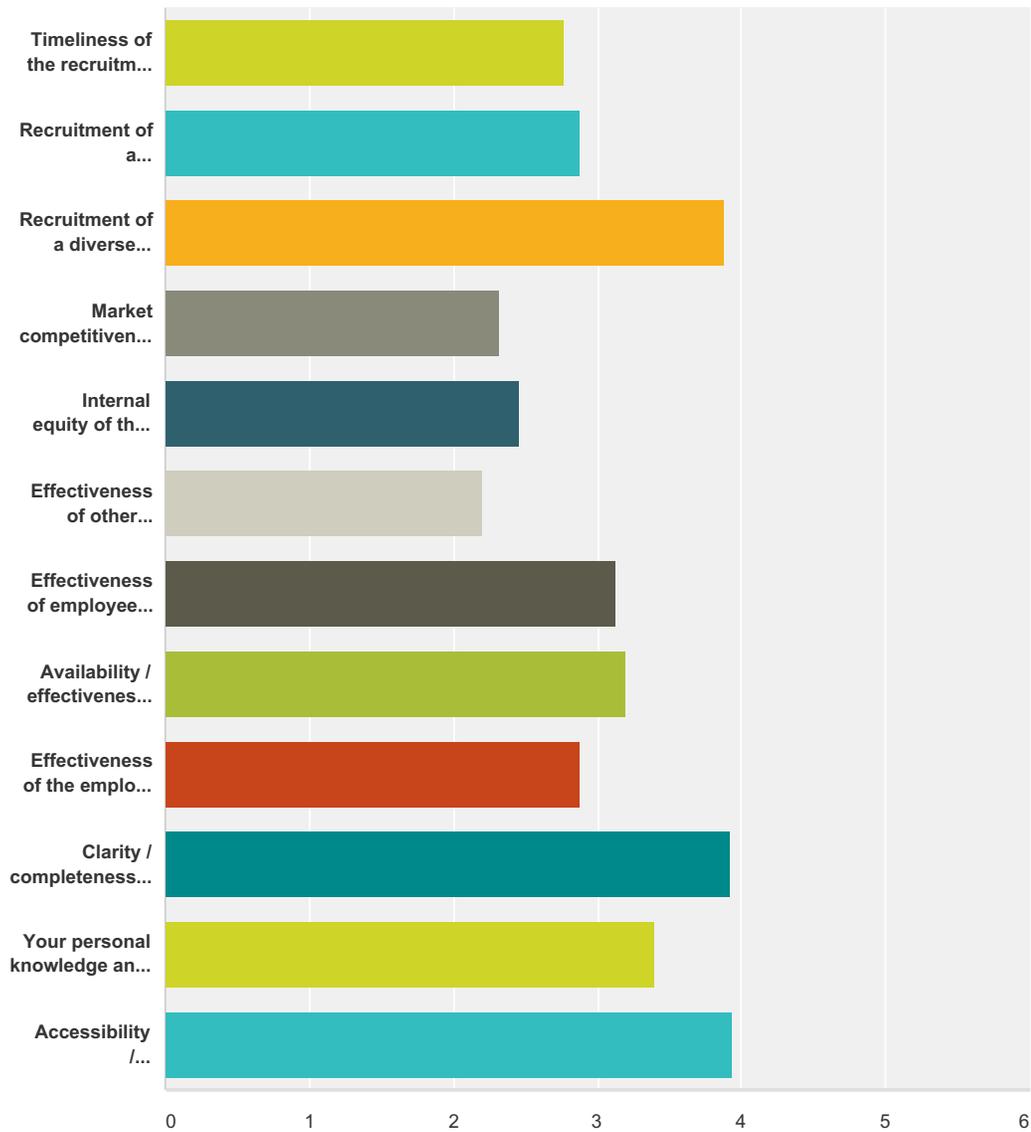
Internal Support Services Satisfaction Survey

#	Comments for "Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on purchasing processes and procedures."	Date
1	There has been no attempt to explain upcoming changes in the Purch. Dept. (or any other department). I have only been told about "some changes" that will happen in my own department.	8/20/2015 2:09 PM
2	No knowledge. No training as yet.	8/10/2015 2:06 PM
3	No experience with this at all.	8/7/2015 9:35 AM
4	have no information of anything pertaining to ERP except tablet 101 training and W&P provided utilities for the trailer	8/6/2015 9:14 AM
5	I am aware of the system but have yet to be trained to offer an opinion regarding the impacts. As we tried to assist with the setup we found multiple issues surrounding department operations	8/6/2015 9:05 AM
6	It doesn't appear that ERP will improve the speed and efficiency of purchasing. It will make recordkeeping more efficient.	8/6/2015 8:35 AM
7	Haven't had class yet.	8/6/2015 12:20 AM
#	Comments for "Accessibility / responsiveness of Purchasing staff."	Date
1	A very diligent, professional group of employees. Praise for the Purchasing group.	8/14/2015 10:30 AM
2	Always helpful under the current circumstances.	8/7/2015 9:35 AM
3	PATCO's seems fine	8/6/2015 9:14 AM

Internal Support Services Satisfaction Survey

Q6 Human Resources (recruitment, selection, compensation, training, etc.)

Answered: 32 Skipped: 5



	Very Satisfied	Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Dissatisfied	Very Dissatisfied	Not Applicable / No Opinion	Total	Weighted Average
Timeliness of the recruitment and selection process (including both new hires and promotional processes.)	0.00% 0	6.25% 2	21.88% 7	18.75% 6	15.63% 5	18.75% 6	18.75% 6	32	2.77
Recruitment of a well-qualified workforce.	0.00% 0	9.68% 3	25.81% 8	16.13% 5	9.68% 3	22.58% 7	16.13% 5	31	2.88
Recruitment of a diverse workforce.	0.00% 0	31.25% 10	34.38% 11	3.13% 1	0.00% 0	12.50% 4	18.75% 6	32	3.88

Internal Support Services Satisfaction Survey

Market competitiveness of the Authority's pay plan.	0.00% 0	9.68% 3	6.45% 2	19.35% 6	9.68% 3	35.48% 11	19.35% 6	31	2.32
Internal equity of the of the Authority's pay plan.	0.00% 0	3.23% 1	16.13% 5	16.13% 5	19.35% 6	22.58% 7	22.58% 7	31	2.46
Effectiveness of other employee recognition programs (longevity, service awards, etc.)	0.00% 0	6.25% 2	12.50% 4	12.50% 4	18.75% 6	37.50% 12	12.50% 4	32	2.21
Effectiveness of employee relations services (disciplinary actions, grievances, etc.)	0.00% 0	12.90% 4	22.58% 7	9.68% 3	25.81% 8	6.45% 2	22.58% 7	31	3.13
Availability / effectiveness of employee training and development programs.	0.00% 0	25.00% 8	15.63% 5	12.50% 4	12.50% 4	18.75% 6	15.63% 5	32	3.19
Effectiveness of the employee performance evaluation process.	0.00% 0	9.38% 3	15.63% 5	21.88% 7	12.50% 4	15.63% 5	25.00% 8	32	2.88
Clarity / completeness of human resources related policies and procedures documentation.	0.00% 0	25.81% 8	32.26% 10	9.68% 3	6.45% 2	3.23% 1	22.58% 7	31	3.92
Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on human resources related processes and procedures.	0.00% 0	16.67% 5	16.67% 5	20.00% 6	3.33% 1	10.00% 3	33.33% 10	30	3.40
Accessibility / responsiveness of Human Resources staff.	0.00% 0	50.00% 16	18.75% 6	6.25% 2	6.25% 2	12.50% 4	6.25% 2	32	3.93

#	Comments for "Timeliness of the recruitment and selection process (including both new hires and promotional processes.)"	Date
1	It takes us too long to hire people, we lose good people to other companies.	8/25/2015 2:52 PM
2	seems to take a long time to complete the hiring process.	8/21/2015 2:52 PM
3	This is improved from years past. Still a slow process, but improved.	8/14/2015 10:30 AM
4	Takes far too long to go through the hiring process which leads to losing good candidates to other employers. Online site is confusing and errors are easy to make on the candidate side, and on the HR side.	8/7/2015 9:35 AM
5	Seems very long. Hear complaints often.	8/6/2015 3:36 PM
6	we have no training at PATCO, our hiring process is a joke, each dept including foreman are short handed, we have never had training in sub station's, signals, print reading, sub station relay testing, my HVAC men (only two for the whole property) went to the first class then that was it, I don' even bother trying to request training any more because W&P is so short handed we couldn't send them anyway.	8/6/2015 9:14 AM
7	hiring practices have to change they are too slow and cumbersome. it takes too long to get quality personnel on board, the silk road program doesn't fit the needs of the organization for hiring	8/6/2015 9:05 AM
8	The problem appears to be rooted in the policies rather than with HR's work. It makes no sense for the CEO to make every selection. In my opinion the only purpose of that policy is to make certain Commissioners have a say in hiring which invites favoritism and corruption.	8/6/2015 8:35 AM
#	Comments for "Recruitment of a well-qualified workforce."	Date
1	Because of the lengthy hiring process we lose good people and end of getting lesser quality hires.	8/25/2015 2:52 PM
2	We are disappointed with the quality of many of the potential recruits. We don't understand how they make it past the Minimum Qualifications process.	8/14/2015 10:30 AM
3	Aging workforce is not being replaced while the retiring employees are still on the job. There is no transfer of knowledge from these well-seasoned and knowledgeable employees to the new recruits. Sourcing of good candidates is not ideal.	8/7/2015 9:35 AM

Internal Support Services Satisfaction Survey

4	joke, nobody wants to work here	8/6/2015 9:14 AM
5	same as above	8/6/2015 9:05 AM
6	The problem appears to be salary policy and availability of qualified personnel rather than with how HRS works. If the pay and benefits don't attract candidates, HRS can't hire them.	8/6/2015 8:35 AM
7	Wont pay for the qualified talent	8/6/2015 5:23 AM
#	Comments for "Recruitment of a diverse workforce."	Date
1	I find the DRPA has a good handle on diversity.	8/7/2015 9:35 AM
#	Comments for "Market competitiveness of the Authority's pay plan."	Date
1	Supervisors at other transit organizations are compensated better included time and a half for overtime.	8/25/2015 2:52 PM
2	stopped the increases for too many years. salary compression issues as well.	8/21/2015 2:52 PM
3	We struggle to find qualified personnel because of our pay scale.	8/14/2015 10:30 AM
4	Benefits are comparable to other agencies. Need to return the perks that were taken away. They lead to better morale overall.	8/7/2015 9:35 AM
5	conrail mechanics make three dollars an hour more, and septa foreman receive OT so they make almost double my pay.	8/6/2015 9:14 AM
6	management is NOT paid in line with the counterparts from other similar agencies this has always been an on going issue	8/6/2015 9:05 AM
7	Cant attract or offer salaries to recruit top candidates	8/6/2015 5:23 AM
#	Comments for "Internal equity of the of the Authority's pay plan."	Date
1	Supervisors should receive reviews and cost of living raises yearly the same as every other company.	8/25/2015 2:52 PM
2	Don't agree with the grade system. Each position needs to be evaluated individually as departments have unique features that may increase or decrease responsibility and work load.	8/7/2015 9:35 AM
3	joke	8/6/2015 9:14 AM
4	a new hire to my level was paid more than I make and resolution has not yet come	8/6/2015 9:05 AM
5	I believe male employees are paid more than female employees in similar functions.	8/6/2015 8:30 AM
#	Comments for "Effectiveness of other employee recognition programs (longevity, service awards, etc.)"	Date
1	These don't exist due to "reform."	8/14/2015 10:30 AM
2	Some people do not welcome the spotlight, and would prefer a monetary award without a lot of fuss and publicity.	8/7/2015 9:35 AM
3	joke, I've been here almost 30 yrs and never been given anything, if someone retires here we have to pitch in for the cake and the ceremony is in a dirty garage at the auto garage	8/6/2015 9:14 AM
4	there is no recognition, I have personally received (1) recognition in 28 years	8/6/2015 9:05 AM
5	I'm not aware of any employee recognition programs.	8/6/2015 8:30 AM
6	PATCO tries to recognize exemplary employees, but the Authority as a whole should have programs such as those that were abandoned several years ago.	8/6/2015 7:59 AM
7	We don't have	8/6/2015 5:23 AM
#	Comments for "Effectiveness of employee relations services (disciplinary actions, grievances, etc.)"	Date
1	some rules and policies are not applied evenly through out the company.	8/21/2015 2:52 PM
2	This has improved with additional focus.	8/14/2015 10:30 AM
3	Grievance process is fair, but can be petty.	8/7/2015 9:35 AM
4	again slow and cumbersome for management to get resolution to on going issues	8/6/2015 9:05 AM
5	None of these appear to be within HRS' control.	8/6/2015 8:35 AM
6	I think HR should take a greater role in writing up discipline memos.	8/6/2015 8:30 AM
#	Comments for "Availability / effectiveness of employee training and development programs."	Date

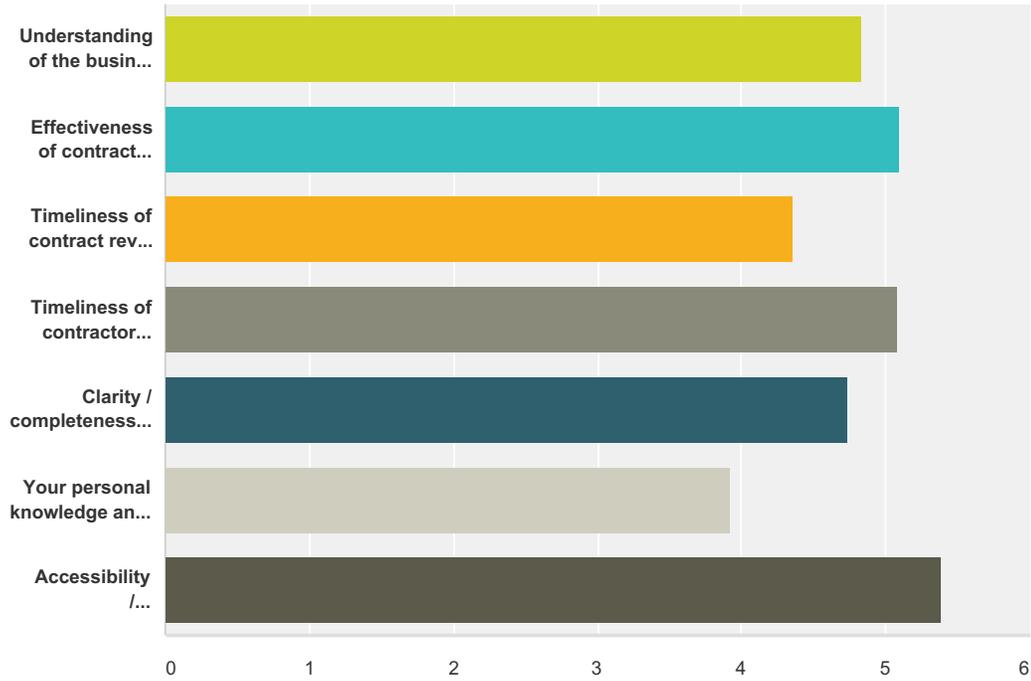
Internal Support Services Satisfaction Survey

1	DRPA has a wide variety of training programs. They appear to be focused toward day-work employees, but we manage to have everyone trained.	8/14/2015 10:30 AM
2	Efforts to provide training are better than average.	8/7/2015 9:35 AM
3	joke, is none two track mechanics went to elec training at night 5yr ago, they both completed the class, still waiting to be promoted to elec crew, when we have multiple openings	8/6/2015 9:14 AM
4	training is offered, but during critical times of capital projects, availability of time to train is also an issue	8/6/2015 9:05 AM
5	These programs are practically non-existent. This is not only a recruitment and retention issue but a safety issue as well.	8/6/2015 8:35 AM
6	training is available is you are willing to ask for it.	8/6/2015 8:30 AM
#	Comments for "Effectiveness of the employee performance evaluation process."	Date
1	seems as though it meant something when we were getting annual increases. not so much now.	8/21/2015 2:52 PM
2	Basing evaluations on numbered scores does not work effectively. There is no number calibration, and all the answers are subjective.	8/7/2015 9:35 AM
3	don't even have it for represented employees, but my manager evaluates me	8/6/2015 9:14 AM
4	years between different variations of evaluation programs have caused some grief, and lack of pay raises for several years also hurts the process	8/6/2015 9:05 AM
5	HRS has put together a good program but it's not supported well by upper management. It's a formality for the most part. To my knowledge no real decisions or plans are made based on evaluations. Basically you have to complete an evaluation for an employee to be eligible for a raise but I've never heard of anyone failing to get a raise based on an evaluation and I've never heard of anyone getting a bigger raise because of an evaluation.	8/6/2015 8:35 AM
6	some years I receive an evaluation, other years I don't.	8/6/2015 8:30 AM
#	Comments for "Clarity / completeness of human resources related policies and procedures documentation."	Date
1		8/7/2015 9:35 AM
2	some policies are readily explained and others need training/explaining but HRS doesn't readily provide training	8/6/2015 9:05 AM
#	Comments for "Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on human resources related processes and procedures."	Date
1	There has been no attempt to explain upcoming changes in the HR Dept. (or any other department). I have only been told about "some changes" that will happen in my own department.	8/20/2015 2:09 PM
2	No knowledge. No training as yet.	8/10/2015 2:06 PM
3	Do not know what is planned.	8/7/2015 9:35 AM
4	none	8/6/2015 9:14 AM
5	ERP as a concept is good, practical application will need to be done by all personnel at a high level in order for the system to work as designed	8/6/2015 9:05 AM
6	ERP will improve recordkeeping but won't make any processes more efficient.	8/6/2015 8:35 AM
7	Haven't had the class yet.	8/6/2015 12:20 AM
#	Comments for "Accessibility / responsiveness of Human Resources staff."	Date
1	Always responsive.	8/14/2015 10:30 AM
2	Processes are slow, employees do not respond to communications timely, and there is a lack of empathy in the department. The attitude is take it or leave it.	8/7/2015 9:35 AM
3	I need manpwr and material not rocket science	8/6/2015 9:14 AM

Internal Support Services Satisfaction Survey

Q7 Contract Administration

Answered: 32 Skipped: 5



	Very Satisfied	Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Dissatisfied	Very Dissatisfied	Not Applicable / No Opinion	Total	Weighted Average
Understanding of the business and technical requirements of contracts under administration.	9.38% 3	18.75% 6	6.25% 2	0.00% 0	3.13% 1	0.00% 0	62.50% 20	32	4.83
Effectiveness of contract negotiation support.	6.25% 2	21.88% 7	3.13% 1	0.00% 0	0.00% 0	0.00% 0	68.75% 22	32	5.10
Timeliness of contract review and approval.	6.45% 2	9.68% 3	9.68% 3	9.68% 3	0.00% 0	0.00% 0	64.52% 20	31	4.36
Timeliness of contractor payment request review and approval.	12.50% 4	15.63% 5	3.13% 1	3.13% 1	0.00% 0	0.00% 0	65.63% 21	32	5.09
Clarity / completeness of contract administration policies and procedures documentation.	3.13% 1	25.00% 8	3.13% 1	0.00% 0	3.13% 1	0.00% 0	65.63% 21	32	4.73
Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on contract administration related processes and procedures.	0.00% 0	19.35% 6	3.23% 1	12.90% 4	0.00% 0	3.23% 1	61.29% 19	31	3.92
Accessibility / responsiveness of Contract Administration staff.	21.88% 7	12.50% 4	6.25% 2	0.00% 0	0.00% 0	0.00% 0	59.38% 19	32	5.38

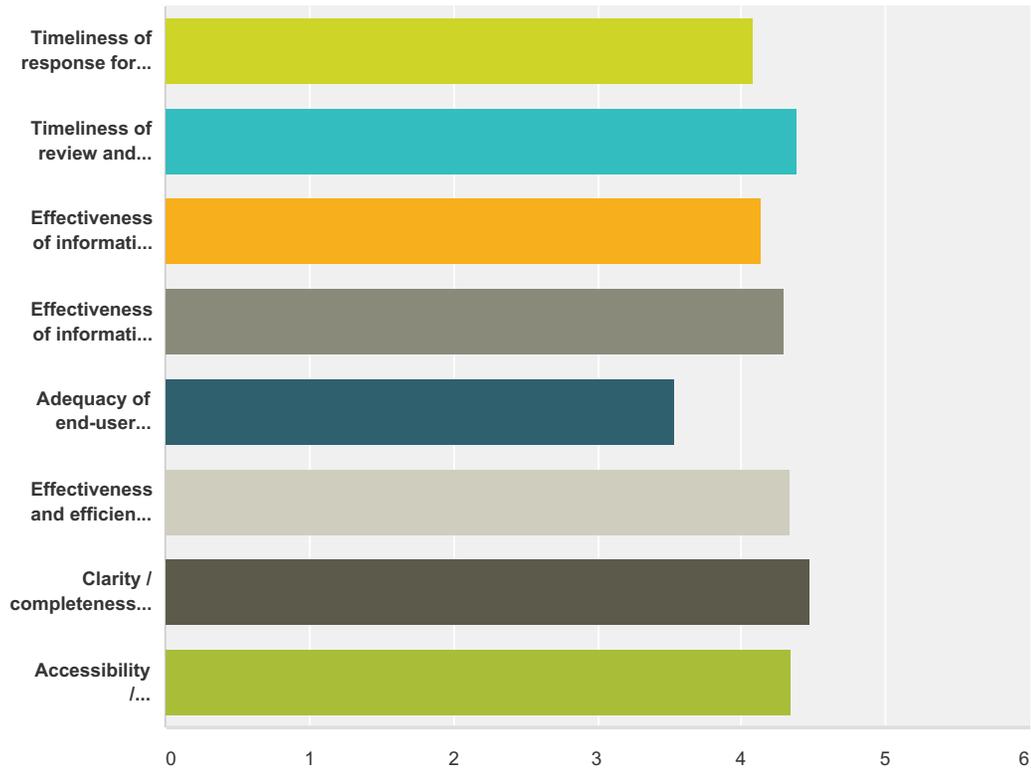
Internal Support Services Satisfaction Survey

#	Comments for "Understanding of the business and technical requirements of contracts under administration."	Date
1	I am not satisfied with current policies that are supposed to document & manage the "Scope Of Work" of projects and work orders. This leads to confusion and "waste" and poor final results.	8/20/2015 2:09 PM
#	Comments for " Effectiveness of contract negotiation support."	Date
	There are no responses.	
#	Comments for "Timeliness of contract review and approval."	Date
1	contracts are held up in legal	8/6/2015 8:30 AM
2	The tie-up in Legal seems to have lessened in recent months, but for years it has been abysmal.	8/6/2015 7:59 AM
3	Process takes too long	8/6/2015 5:23 AM
#	Comments for "Timeliness of contractor payment request review and approval."	Date
	There are no responses.	
#	Comments for "Clarity / completeness of contract administration policies and procedures documentation."	Date
	There are no responses.	
#	Comments for "Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on contract administration related processes and procedures."	Date
1	There has been no attempt to explain upcoming changes in the Contract Admin. Dept. (or any other department). I have only been told about "some changes" that will happen in my own department.	8/20/2015 2:09 PM
2	No knowledge. No training as yet.	8/10/2015 2:06 PM
3	none	8/6/2015 9:14 AM
#	Comments for "Accessibility / responsiveness of Contract Administration staff."	Date
1	Excellent staff. Very professional and supportive.	8/14/2015 10:30 AM

Internal Support Services Satisfaction Survey

Q8 Information Services

Answered: 32 Skipped: 5



	Very Satisfied	Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Dissatisfied	Very Dissatisfied	Not Applicable / No Opinion	Total	Weighted Average
Timeliness of response for information services support requests / trouble tickets.	3.13% 1	34.38% 11	21.88% 7	9.38% 3	3.13% 1	6.25% 2	21.88% 7	32	4.08
Timeliness of review and approval of requested purchases of technology related products and services.	0.00% 0	28.13% 9	21.88% 7	6.25% 2	0.00% 0	0.00% 0	43.75% 14	32	4.39
Effectiveness of information technology project management.	0.00% 0	28.13% 9	6.25% 2	6.25% 2	3.13% 1	3.13% 1	53.13% 17	32	4.13
Effectiveness of information technology governance processes to support IS decision making (priorities, funding, technology standards, etc.)	0.00% 0	21.88% 7	3.13% 1	3.13% 1	0.00% 0	3.13% 1	68.75% 22	32	4.30
Adequacy of end-user training for new and upgraded systems.	0.00% 0	9.68% 3	29.03% 9	12.90% 4	3.23% 1	6.45% 2	38.71% 12	31	3.53

Internal Support Services Satisfaction Survey

Effectiveness and efficiency of the technology procurement process (requirements gathering, user involvement, vendor selection and due diligence, quality assurance, etc.)	3.23% 1	9.68% 3	22.58% 7	3.23% 1	0.00% 0	0.00% 0	61.29% 19	31	4.33
Clarity / completeness of information services related policies and procedures documentation.	3.13% 1	21.88% 7	15.63% 5	6.25% 2	0.00% 0	0.00% 0	53.13% 17	32	4.47
Accessibility / responsiveness of Information Services staff.	9.38% 3	28.13% 9	25.00% 8	3.13% 1	0.00% 0	6.25% 2	28.13% 9	32	4.35

#	Comments for "Timeliness of response for information services support requests / trouble tickets."	Date
1	Little follow-up on tickets. Tendency to create new tickets when old ones haven't been worked.	8/14/2015 10:30 AM
2	The process only works when you use it in parallel with the "unofficial" method of getting things fixed. IS Technicians do a great job despite the Help Desk process.	8/6/2015 8:35 AM
3	Some issues are addressed immediately. Some seem to fall through the cracks. There is no follow-up to let you know if a problem was resolved.	8/6/2015 7:59 AM
4	Mostly satisfied but there are times help tickets not quickly addressed. In addition, hardly receive responses when items were addressed or repaired.	8/6/2015 5:23 AM
#	Comments for "Timeliness of review and approval of requested purchases of technology related products and services."	Date
1	Was not aware of this process	8/7/2015 9:35 AM
#	Comments for "Effectiveness of information technology project management."	Date
1	we never hired an elec engineer to replace W. Shaw, that position handled contractor issues, now W. Shaw has to do that job plus his W&P director job	8/6/2015 9:14 AM
2	sometimes the management side of the group fails to put forth all info regarding projects that cross over into other departments	8/6/2015 9:05 AM
3	IS underestimated the challenges of reversing decades of neglect with new systems. They don't understand PATCO's operations and organization so the solutions are rarely effective.	8/6/2015 8:35 AM
#	Comments for "Effectiveness of information technology governance processes to support IS decision making (priorities, funding, technology standards, etc.)"	Date
	There are no responses.	
#	Comments for "Adequacy of end-user training for new and upgraded systems."	Date
1		8/7/2015 9:35 AM
2	none	8/6/2015 9:14 AM
3	depending on the program or system involved IS does not train well	8/6/2015 9:05 AM
4	Recurring training is usually ignored. Users get trained once and then have to struggle through until they gain enough experience. The ERP project appears to be repeating this mistake except that they've named it (Super User's) and included it in their plan. That's how it's always worked.	8/6/2015 8:35 AM
#	Comments for "Effectiveness and efficiency of the technology procurement process (requirements gathering, user involvement, vendor selection and due diligence, quality assurance, etc.)"	Date
	There are no responses.	
#	Comments for "Clarity / completeness of information services related policies and procedures documentation."	Date
	There are no responses.	
#	Comments for "Accessibility / responsiveness of Information Services staff."	Date
1	Basic services are alright. Room for improvement in training and responsiveness.	8/14/2015 10:30 AM

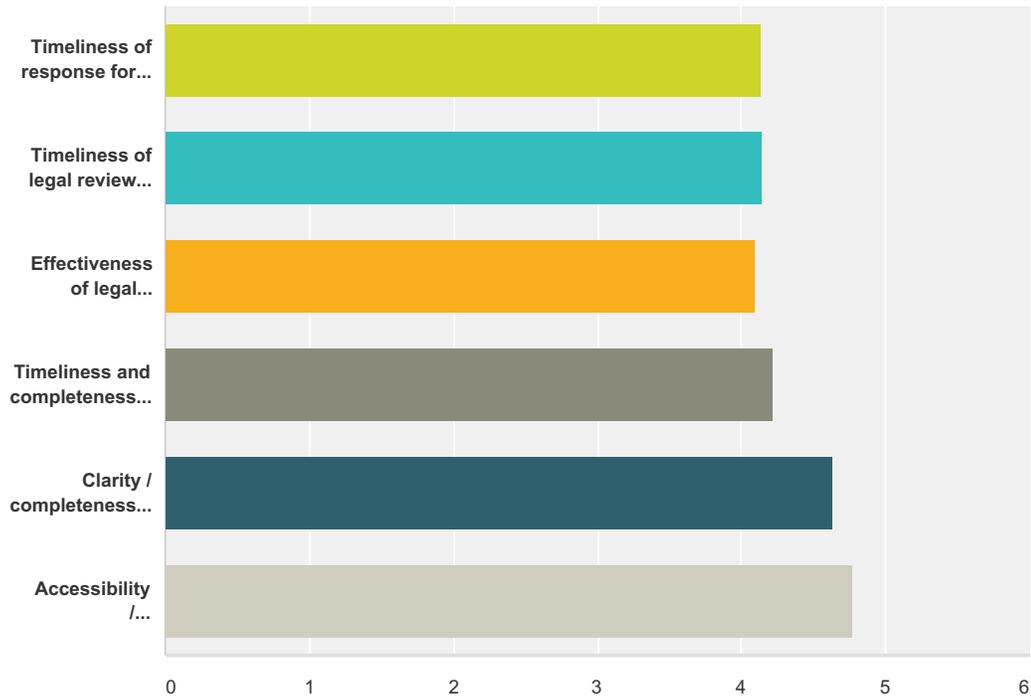
Internal Support Services Satisfaction Survey

2	There is no way a 24/7 operation that relies on technology should have a 9-5 IS department	8/7/2015 10:52 PM
3	This does not include the Help Desk. In an organization this size it's easy to get things fixed because you already know the people who can fix it. The Help Desk seems like an unnecessary extra step.	8/6/2015 8:35 AM

Internal Support Services Satisfaction Survey

Q9 General Counsel

Answered: 32 Skipped: 5



	Very Satisfied	Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Dissatisfied	Very Dissatisfied	Not Applicable / No Opinion	Total	Weighted Average
Timeliness of response for requests for routine legal advice / opinions / support.	0.00% 0	18.75% 6	21.88% 7	3.13% 1	0.00% 0	3.13% 1	53.13% 17	32	4.13
Timeliness of legal review and approval of contracts and other legal documents.	0.00% 0	15.63% 5	18.75% 6	3.13% 1	3.13% 1	0.00% 0	59.38% 19	32	4.15
Effectiveness of legal representation (disciplinary matters, litigation support, contract negotiation, etc.)	0.00% 0	12.50% 4	9.38% 3	9.38% 3	0.00% 0	0.00% 0	68.75% 22	32	4.10
Timeliness and completeness of communication on legal matters (case status, regulatory changes, pending legislation, policy revisions, etc.)	0.00% 0	12.50% 4	12.50% 4	0.00% 0	3.13% 1	0.00% 0	71.88% 23	32	4.22
Clarity / completeness of legal related policies and procedures documentation.	0.00% 0	22.58% 7	12.90% 4	0.00% 0	0.00% 0	0.00% 0	64.52% 20	31	4.64
Accessibility / responsiveness of General Counsel staff.	3.23% 1	25.81% 8	12.90% 4	0.00% 0	0.00% 0	0.00% 0	58.06% 18	31	4.77

#	Comments for "Timeliness of response for requests for routine legal advice / opinions / support."	Date
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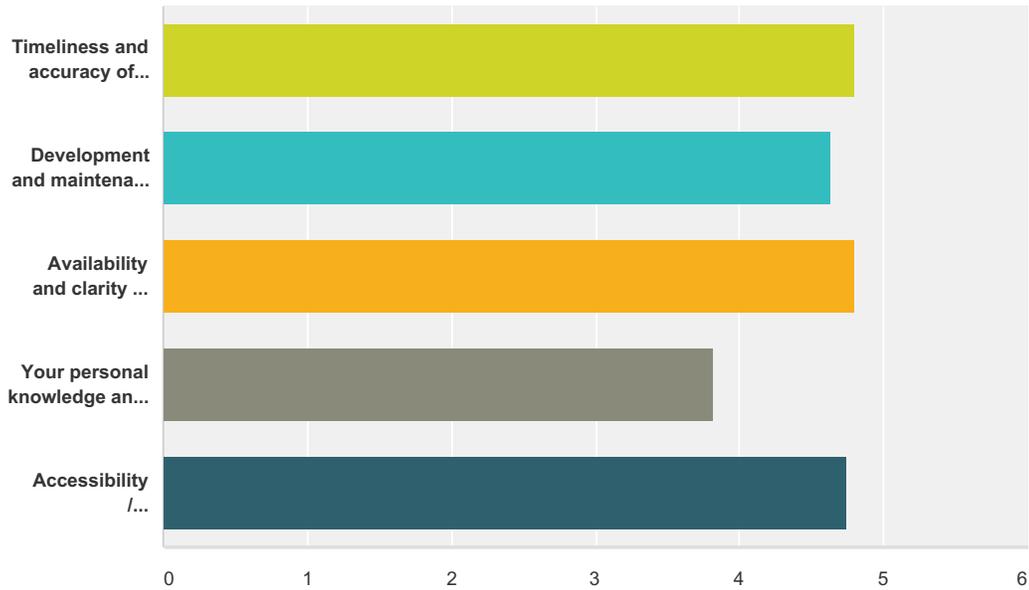
Internal Support Services Satisfaction Survey

1	No legal advice is ever considered to be "routine". Any legal issue is treated as major problem with lots of possible ramifications. It always takes a long time to get a response.	8/20/2015 2:09 PM
2	Excellent improvement in the past six months. Used to be terrible, is now very good.	8/14/2015 10:30 AM
3	It seems to me you always have to ask twice at least. When they call me for support on the other hand I take care of it right away.	8/6/2015 8:35 AM
4	With several additional staff, the Legal Department's response has improved significantly in recent months.	8/6/2015 7:59 AM
5	It has vastly improved. I was very dissatisfied.	8/6/2015 5:23 AM
#	Comments for "Timeliness of legal review and approval of contracts and other legal documents."	Date
1	Excellent improvement in the past six months. Used to be terrible, is now very good.	8/14/2015 10:30 AM
2	Most of this could be eliminated by using more boilerplate documents and having policies that cover most situations. A lot of the problem is that the CEO has to approve too many trivial things and those things all need to be reviewed before the CEO approves them.	8/6/2015 8:35 AM
3	It has vastly improved. I was very dissatisfied.	8/6/2015 5:23 AM
#	Comments for "Effectiveness of legal representation (disciplinary matters, litigation support, contract negotiation, etc.)"	Date
1	Thorough and good advice on legal representation.	8/14/2015 10:30 AM
2	Being involved in litigation and represented by legal, sometimes we are not informed until we show at a hearing/deposition	8/6/2015 9:05 AM
3	It has vastly improved. I was very dissatisfied.	8/6/2015 5:23 AM
#	Comments for "Timeliness and completeness of communication on legal matters (case status, regulatory changes, pending legislation, policy revisions, etc.)"	Date
1	Excellent improvement in the past six months. Used to be terrible, is now very good.	8/14/2015 10:30 AM
2	It has vastly improved. I was very dissatisfied.	8/6/2015 5:23 AM
#	Comments for "Clarity / completeness of legal related policies and procedures documentation."	Date
	There are no responses.	
#	Comments for "Accessibility / responsiveness of General Counsel staff."	Date
1	Vastly improved with the Acting General Counsel over her predecessor. Don't know that we could ask for better service from the General Counsel's office.	8/14/2015 10:30 AM
2	Depends who.	8/6/2015 8:35 AM

Internal Support Services Satisfaction Survey

Q10 Benefits Administration

Answered: 32 Skipped: 5



	Very Satisfied	Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Dissatisfied	Very Dissatisfied	Not Applicable / No Opinion	Total	Weighted Average
Timeliness and accuracy of response to benefits-related questions or concerns.	3.23% 1	58.06% 18	19.35% 6	0.00% 0	0.00% 0	0.00% 0	19.35% 6	31	4.80
Development and maintenance of a competitive employee benefits program.	3.13% 1	43.75% 14	15.63% 5	6.25% 2	0.00% 0	0.00% 0	31.25% 10	32	4.64
Availability and clarity of employee benefits program information.	6.45% 2	54.84% 17	16.13% 5	3.23% 1	0.00% 0	0.00% 0	19.35% 6	31	4.80
Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on employee benefits related processes and procedures.	0.00% 0	25.81% 8	9.68% 3	6.45% 2	9.68% 3	3.23% 1	45.16% 14	31	3.82
Accessibility / responsiveness of Benefits Administration staff.	6.45% 2	48.39% 15	19.35% 6	3.23% 1	0.00% 0	0.00% 0	22.58% 7	31	4.75

#	Comments for "Timeliness and accuracy of response to benefits-related questions or concerns."	Date
	There are no responses.	
#	Comments for "Development and maintenance of a competitive employee benefits program."	Date
	There are no responses.	
#	Comments for "Availability and clarity of employee benefits program information."	Date
1	Not readily clear from printed material. Often need clarification of rules/processes	8/7/2015 9:35 AM

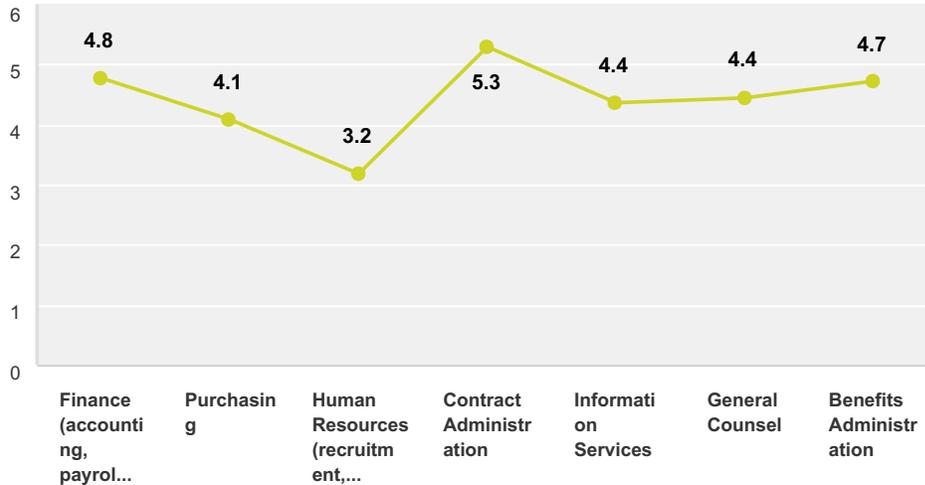
Internal Support Services Satisfaction Survey

#	Comments for "Your personal knowledge and understanding of the impacts of the upcoming ERP system implementation on employee benefits related processes and procedures."	Date
1	There has been no attempt to explain upcoming changes in the Benefits Dept. (or any other department). I have only been told about "some changes" that will happen in my own department.	8/20/2015 2:09 PM
2	No knowledge. No training as yet.	8/10/2015 2:06 PM
3	no clue	8/6/2015 9:14 AM
4	I think they're still going to need people to answer benefits questions and resolve problems. ERP will handle routine matters well enough but I don't think that's currently a problem.	8/6/2015 8:35 AM
5	Haven't had class yet.	8/6/2015 12:20 AM
#	Comments for "Accessibility / responsiveness of Benefits Administration staff."	Date
1	Very nice staff, helpful when called for assistance.	8/14/2015 10:30 AM
2	ERP seems to be taking up much of the work day for Benefits Employees	8/7/2015 9:35 AM

Internal Support Services Satisfaction Survey

Q11 Considering your responses to the previous survey items, how do you rate your overall satisfaction with the internal support services provided to PATCO?

Answered: 33 Skipped: 4



	Very Satisfied (1)	Satisfied (2)	Somewhat Satisfied (3)	Somewhat Dissatisfied (4)	Dissatisfied (5)	Very Dissatisfied (6)	Not Applicable / No Opinion	Total	Weighted Average
Finance (accounting, payroll, budget, etc.)	9.09% 3	54.55% 18	9.09% 3	3.03% 1	0.00% 0	3.03% 1	21.21% 7	33	4.77
Purchasing	0.00% 0	46.88% 15	6.25% 2	9.38% 3	6.25% 2	6.25% 2	25.00% 8	32	4.08
Human Resources (recruitment, selection, compensation, training, etc.)	0.00% 0	6.06% 2	39.39% 13	18.18% 6	6.06% 2	15.15% 5	15.15% 5	33	3.18
Contract Administration	18.18% 6	18.18% 6	6.06% 2	0.00% 0	0.00% 0	0.00% 0	57.58% 19	33	5.29
Information Services	3.03% 1	42.42% 14	21.21% 7	3.03% 1	0.00% 0	6.06% 2	24.24% 8	33	4.36
General Counsel	3.03% 1	24.24% 8	15.15% 5	3.03% 1	3.03% 1	0.00% 0	51.52% 17	33	4.44
Benefits Administration	6.06% 2	45.45% 15	21.21% 7	3.03% 1	0.00% 0	0.00% 0	24.24% 8	33	4.72

Basic Statistics					
	Minimum	Maximum	Median	Mean	Standard Deviation
Finance (accounting, payroll, budget, etc.)	1.00	6.00	2.00	2.23	0.97
Purchasing	2.00	6.00	2.00	2.92	1.35
Human Resources (recruitment, selection, compensation, training, etc.)	2.00	6.00	3.00	3.82	1.23

Internal Support Services Satisfaction Survey

Contract Administration	1.00	3.00	2.00	1.71	0.70
Information Services	1.00	6.00	2.00	2.64	1.16
General Counsel	1.00	5.00	2.00	2.56	0.93
Benefits Administration	1.00	4.00	2.00	2.28	0.66

Internal Support Services Satisfaction Survey

Q12 Please use the space below to provide any additional information that may be helpful in assessing the level and quality of internal support services provided to PATCO.

Answered: 4 Skipped: 33

#	Responses	Date
1	Other than the exception on questions about backdated payroll issues, we receive excellent service from Payroll. That seems to revolve around one person. The General Counsel's office has been a tremendous improvement, really, a 180-degree turnaround once the Acting General Counsel assumed control. Purchasing is a very good group to work with. We believe they are hamstrung in their work by the effects of the "reform" rules, and they do the very best they can under those rules.	8/14/2015 10:34 AM
2	lack of communication between departments and parent organization.	8/10/2015 2:17 PM
3	PATCO need to receive competitive wages and salaries, nobody wants to come here to work or stay here. I need material and manpower to complete my tasks and required maintenance.	8/6/2015 9:20 AM
4	While it's possible to provide adequate support services without understanding PATCO's operation, I would think it would be more effective if the personnel involved knew more about PATCO and what PATCO employees do every day.	8/6/2015 8:39 AM

Appendix E: Compensation Survey Detail

PATCO Compensation Survey Data

TITLE	Range Min			Range Max			Average Actual Pay		
	PATCO	MARKET MEDIAN	% DIFFERENCE	PATCO	Market Median	% Difference	PATCO	Market Median	% Difference
Technical Supervisor, Transit Services	\$80,106.00	\$67,704.00	15.48%	\$120,160.00	\$108,316.00	9.86%	\$102,499.07	\$93,217.50	9.06%
Technical Supervisor (Civil & Mechanical Systems)	\$80,106.00	\$62,979.00	21.38%	\$120,160.00	\$94,475.00	21.38%	\$97,469.22	\$101,394.50	-4.03%
Manager, Power, Signals & Communications	\$71,377.00	\$81,536.00	-14.23%	\$107,066.00	\$122,304.00	-14.23%	\$87,191.73	\$109,404.50	-25.48%
Manager, Track, Structures & Mechanical	\$71,377.00	\$81,536.00	-14.23%	\$107,066.00	\$122,304.00	-14.23%	\$97,178.22	\$108,169.50	-11.31%
Manager, Systems Safety	\$71,377.00	\$74,074.00	-3.78%	\$ 107,066.00	\$ 111,108.00	-21.47%	\$ 94,862.77	\$115,225.50	-21.47%
Manager, Mechanical & Custodial	\$71,377.00	\$74,064.00	-3.76%	\$107,066.00	\$111,084.00	-3.75%	\$96,884.94	\$93,728.38	3.26%
Manager, Electrical and Electronics	\$71,377.00	\$74,064.00	-3.76%	\$107,066.00	\$111,084.00	-3.75%	\$87,191.73	\$93,728.38	-7.50%
Dispatcher	\$62,426.00	\$68,801.20	-10.21%	\$93,639.00	\$87,084.40	7.00%	\$76,032.08	\$77,525.57	-1.96%
Mechanical Foreman, Equipment	\$62,426.00	\$66,612.00	-6.71%	\$93,639.00	\$94,764.80	-1.20%	\$81,487.54	\$81,602.68	-0.14%
Supervisor	\$44,790.00	\$50,726.00	-13.25%	\$67,184.00	\$76,102.00	-13.27%	\$61,996.32	\$87,346.00	-40.89%
Revenue Collector	\$44,790.00	\$36,641.80	18.19%	\$67,184.00	\$55,559.40	17.30%	\$51,906.40	\$46,471.00	10.47%
Electronic Technician, Equipment	\$53,996.80	\$61,523.07	-13.94%	\$63,523.20	\$79,606.70	-25.32%	\$62,332.40	\$77,526.00	-24.38%
Maintenance Mechanic - 1st Class	\$53,996.80	\$56,620.93	-4.86%	\$63,523.20	\$62,912.10	0.96%	\$63,523.20	\$67,941.00	-6.95%
Equipment Electrician A/C	\$52,936.00	\$56,620.93	-6.96%	\$62,275.20	\$62,912.10	-1.02%	\$61,495.20	\$73,942.00	-20.24%
Way & Power Maintainer	\$52,936.00	\$56,620.93	-6.96%	\$62,275.20	\$62,912.10	-1.02%	\$62,275.20	\$68,544.48	-10.07%
Mechanical & Structural Technician	\$51,792.00	\$61,523.09	-18.79%	\$60,923.20	\$70,438.97	-15.62%	\$60,923.20	\$73,012.50	-19.84%
Equipment Electrician	\$51,792.00	\$56,620.93	-9.32%	\$60,923.20	\$62,912.10	-3.26%	\$60,923.20	\$71,415.00	-17.22%
Machinist 1/C	\$51,792.00	\$56,620.93	-9.32%	\$60,923.20	\$62,912.10	-3.26%	\$60,923.20	\$62,912.10	-17.32%
Welder	\$50,564.00	\$59,020.62	-16.72%	\$59,488.00	\$65,578.49	-10.24%	\$59,488.00	\$70,527.00	-18.56%
Station Supervisor	\$37,583.00	\$49,998.00	-33.03%	\$56,375.00	\$76,102.00	-34.99%	\$45,027.61	\$70,232.50	-55.98%
Fare Collection Repairman	\$46,467.20	\$59,020.62	-27.02%	\$54,662.40	\$65,578.49	-19.97%	\$54,662.40	\$69,979.25	-28.02%
Train Operator	\$46,467.20	\$37,835.20	18.58%	\$54,662.40	\$58,198.40	-6.47%	\$52,985.63	\$66,297.50	-25.12%
Machine Operator 1/C	\$44,200.00	\$56,620.93	-28.10%	\$52,000.00	\$62,912.10	-20.98%	\$52,000.00	\$67,571.69	-29.95%
Track Mechanic	\$41,787.20	\$38,188.80	8.61%	\$49,150.40	\$58,260.80	-18.54%	\$49,150.40	\$52,912.00	-7.65%
Custodian, Equipment	\$36,129.00	\$38,189.00	-5.70%	\$42,515.20	\$54,870.00	-29.06%	\$41,380.91	\$42,526.50	-2.77%
Customer Service Agent	\$27,026.00	\$37,572.60	-39.02%	\$40,539.00	\$53,843.40	-32.82%	\$27,701.65	\$45,054.00	-62.64%
Averages	\$48,099.85	\$52,914.61	-9.10%	\$61,337.09	\$67,024.23	-8.49%	\$57,169.19	\$67,017.83	-14.70%

PATCO Compensation Survey Data

TITLE	Range Min			Range Max			Average Actual Pay		
	PATCO	MARKET MEDIAN	% DIFFERENCE	PATCO	Market Median	% Difference	PATCO	Market Median	% Difference
Technical Supervisor, Transit Services	\$80,106.00	\$67,704.00	15.48%	\$120,160.00	\$108,316.00	9.86%	\$102,499.07	\$93,217.50	9.06%
Technical Supervisor (Civil & Mechanical Systems)	\$80,106.00	\$62,979.00	21.38%	\$120,160.00	\$94,475.00	21.38%	\$97,469.22	\$101,394.50	-4.03%
Manager, Power, Signals & Communications	\$71,377.00	\$81,536.00	-14.23%	\$107,066.00	\$122,304.00	-14.23%	\$87,191.73	\$109,404.50	-25.48%
Manager, Track, Structures & Mechanical	\$71,377.00	\$81,536.00	-14.23%	\$107,066.00	\$122,304.00	-14.23%	\$97,178.22	\$108,169.50	-11.31%
Manager, Systems Safety	\$71,377.00	\$74,074.00	-3.78%	\$ 107,066.00	\$ 111,108.00	-21.47%	\$ 94,862.77	\$115,225.50	-21.47%
Manager, Mechanical & Custodial	\$71,377.00	\$74,064.00	-3.76%	\$107,066.00	\$111,084.00	-3.75%	\$96,884.94	\$93,728.38	3.26%
Manager, Electrical and Electronics	\$71,377.00	\$74,064.00	-3.76%	\$107,066.00	\$111,084.00	-3.75%	\$87,191.73	\$93,728.38	-7.50%
Dispatcher	\$62,426.00	\$68,801.20	-10.21%	\$93,639.00	\$87,084.40	7.00%	\$76,032.08	\$77,525.57	-1.96%
Mechanical Foreman, Equipment	\$62,426.00	\$66,612.00	-6.71%	\$93,639.00	\$94,764.80	-1.20%	\$81,487.54	\$81,602.68	-0.14%
Supervisor	\$44,790.00	\$50,726.00	-13.25%	\$67,184.00	\$76,102.00	-13.27%	\$61,996.32	\$87,346.00	-40.89%
Revenue Collector	\$44,790.00	\$36,641.80	18.19%	\$67,184.00	\$55,559.40	17.30%	\$51,906.40	\$46,471.00	10.47%
Electronic Technician, Equipment	\$53,996.80	\$61,523.07	-13.94%	\$63,523.20	\$79,606.70	-25.32%	\$62,332.40	\$77,526.00	-24.38%
Maintenance Mechanic - 1st Class	\$53,996.80	\$56,620.93	-4.86%	\$63,523.20	\$62,912.10	0.96%	\$63,523.20	\$67,941.00	-6.95%
Equipment Electrician A/C	\$52,936.00	\$56,620.93	-6.96%	\$62,275.20	\$62,912.10	-1.02%	\$61,495.20	\$73,942.00	-20.24%
Way & Power Maintainer	\$52,936.00	\$56,620.93	-6.96%	\$62,275.20	\$62,912.10	-1.02%	\$62,275.20	\$68,544.48	-10.07%
Mechanical & Structural Technician	\$51,792.00	\$61,523.09	-18.79%	\$60,923.20	\$70,438.97	-15.62%	\$60,923.20	\$73,012.50	-19.84%
Equipment Electrician	\$51,792.00	\$56,620.93	-9.32%	\$60,923.20	\$62,912.10	-3.26%	\$60,923.20	\$71,415.00	-17.22%
Machinist 1/C	\$51,792.00	\$56,620.93	-9.32%	\$60,923.20	\$62,912.10	-3.26%	\$60,923.20	\$62,912.10	-17.32%
Welder	\$50,564.00	\$59,020.62	-16.72%	\$59,488.00	\$65,578.49	-10.24%	\$59,488.00	\$70,527.00	-18.56%
Station Supervisor	\$37,583.00	\$49,998.00	-33.03%	\$56,375.00	\$76,102.00	-34.99%	\$45,027.61	\$70,232.50	-55.98%
Fare Collection Repairman	\$46,467.20	\$59,020.62	-27.02%	\$54,662.40	\$65,578.49	-19.97%	\$54,662.40	\$69,979.25	-28.02%
Train Operator	\$46,467.20	\$37,835.20	18.58%	\$54,662.40	\$58,198.40	-6.47%	\$52,985.63	\$66,297.50	-25.12%
Machine Operator 1/C	\$44,200.00	\$56,620.93	-28.10%	\$52,000.00	\$62,912.10	-20.98%	\$52,000.00	\$67,571.69	-29.95%
Track Mechanic	\$41,787.20	\$38,188.80	8.61%	\$49,150.40	\$58,260.80	-18.54%	\$49,150.40	\$52,912.00	-7.65%
Custodian, Equipment	\$36,129.00	\$38,189.00	-5.70%	\$42,515.20	\$54,870.00	-29.06%	\$41,380.91	\$42,526.50	-2.77%
Customer Service Agent	\$27,026.00	\$37,572.60	-39.02%	\$40,539.00	\$53,843.40	-32.82%	\$27,701.65	\$45,054.00	-62.64%
Averages	\$48,099.85	\$52,914.61	-9.10%	\$61,337.09	\$67,024.23	-8.49%	\$57,169.19	\$67,017.83	-14.70%

Agency	Job Title	Range Min	Range Mid	Range Max	Average Salary
SEPTA	MANAGER, ENGINEERING	\$ 81,536.00	\$ 101,920.00	\$ 122,304.00	\$ 103,369.00
PATH	CHIEF SIGNAL SUPERVISOR-MAINTENANCE	\$83,070		\$132,912	\$ 115,440.00
PAAC	MANAGER-LRT SYSTEMS & POWER	\$ 74,064.00	\$ 92,580.00	\$ 111,084.00	

PATCO MANAGER (SIGNAL & COMMUNICATIONS) \$71,377 \$89,221 \$107,066 \$ 87,191.73

Mkt Average \$ 79,556.67 \$ 122,100.00 \$ 109,404.50
Mkt Median \$ 81,536.00 \$ 122,304.00 \$ 109,404.50
\$ Difference (Median) **-\$10,159.00** **-\$15,238.00** **\$ (22,212.77)**
% Difference (Median) **-14.23%** **-14.23%** **-25.48%**

Agency	Job Title	Range Min	Range Mid	Range Max	Average Salary
SEPTA	MANAGER, ENGINEERING	\$ 81,536.00	\$ 101,920.00	\$ 122,304.00	\$ 103,369.00
PATH	ASST SUPT WAY & STRUCTURES	\$90,012		\$143,988	\$ 112,970.00
PAAC	MANAGER-WAY	\$ 74,064.00	\$ 92,580.00	\$ 111,084.00	

PATCO MANAGER (TRACK STRUCTURAL) \$71,377 \$89,221 \$107,066 \$ 97,178.22

Mkt Average \$ 81,870.67 \$ 125,792.00 \$ 108,169.50
Mkt Median \$ 81,536.00 \$ 122,304.00 \$ 108,169.50
\$ Difference (Median) **-\$10,159.00** **-\$15,238.00** \$ (10,991.28)
% Difference (Median) **-14.23%** **-14.23%** **-11.31%**

Agency	Job Title	Range Min	Range Mid	Range Max	Average Salary
SEPTA	ASSISTANT DIRECTOR MAINTENANCE	\$ 63,414.00	\$ 79,274.00	\$ 95,134.00	\$ 79,105.00
PATH	CHIEF MAINTENANCE SUPERVISOR-MECHANICAL	\$83,070		\$132,912	\$ 108,351.75
PAAC	MANAGER-MAINTENANCE & SERVICES	\$ 74,064.00	\$ 92,580.00	\$ 111,084.00	

PATCO MANAGER - MECHANICAL/CUSTODIAL \$71,377 \$89,221 \$107,066 \$ 96,884.94

Market Average \$ 73,516.00 \$ 113,043.33 \$ 93,728.38
Mkt Median \$ 74,064.00 \$ 111,084.00 \$ 93,728.38
\$ Difference (Median) **-\$2,687.00** **-\$4,018.00** \$ 3,156.57
% Difference (Median) **-3.76%** **-3.75%** 3.26%

Agency	Job Title	Range Min	Range Mid	Range Max	Average Salary
SEPTA	MAINTENANCE MANAGER	\$ 56,316.00	\$ 70,408.00	\$ 84,500.00	\$ 69,668.00
PATH	MAINTENANCE FOREMAN II	\$78,395		\$94,765	\$ 93,537.35
PAAC	ASSISTANT MANAGER - RAILCAR MAINTENANCE	\$ 66,612.00	\$ 83,268.00	\$ 99,912.00	

PATCO MECHANICAL FOREMAN \$62,426 \$78,033 \$93,639 \$ 81,487.54

Mkt Average	\$ 67,107.73	\$ 93,058.93	\$ 81,602.68
Mkt Median	\$ 66,612.00	\$ 94,764.80	\$ 81,602.68
\$ Difference (Median)	-\$4,186.00	-\$1,125.80	\$(115.14)
% Difference (Median)	-6.71%	-1.20%	-0.14%

Agency	Job Title	Range Min	Range Mid	Range Max	Average Salary
SEPTA	REVENUE ATTENDANT	\$ 41,626.00	\$ 52,026.00	\$ 62,426.00	\$ 46,471.00
PATH					
PAAC	OFF BOARD FARE COLLECTOR	\$ 31,657.60	\$ 34,091.20	\$ 48,692.80	

PATCO REVENUE COLLECTOR \$44,790 \$55,987 \$67,184 \$ 51,906.40

Mkt Average \$ 36,641.80 \$ 55,559.40 \$ 46,471.00
Mkt Median \$ 36,641.80 \$ 55,559.40 \$ 46,471.00
\$ Difference (Median) **\$8,148.20** **\$11,624.60** \$ 5,435.40
% Difference (Median) **18.19%** **17.30%** 10.47%

Agency	Job Title	Range Min	Range Mid	Range Max	Average Salary
SEPTA	RV ELECTRONIC TECHNICIAN	\$ 61,523.07		\$ 72,518.99	\$ 68,358.00
PATH	ELECTRONIC TECHNICIAN	\$86,694		\$86,694	\$ 86,694.00
PAAC	TECHNICIAN B	\$ 39,041.60	\$ 42,057.60		

PATCO	ELECTRONIC TECHNICIAN	\$53,997	\$63,523	\$ 62,332.40
Mkt Average	\$ 62,419.69	\$ 79,606.70	\$ 77,526.00	
Mkt Median	\$ 61,523.07	\$ 79,606.70	\$ 77,526.00	
\$ Difference (Median)	-\$7,526.27	-\$16,083.50	\$ (15,193.60)	
% Difference (Median)	-13.94%	-25.32%	-24.38%	

Agency	Job Title	Range Min	Range Mid	Range Max	Average Salary
SEPTA	RV & EQUIP GEN MECH-1ST	\$ 56,620.93		\$ 62,912.10	\$ 61,501.00
PATH	MECH EQUIP REPAIRMAN I	\$71,094		\$77,667	\$ 74,381.00
PAAC	SHOP MECHANIC	\$ 39,041.60	\$ 42,057.60	\$ 60,070.40	

PATCO MAINT MECHANIC 1ST CLASS \$53,997 \$63,523 \$ 63,523.20

Mkt Average \$ 55,585.51 \$ 66,883.17 \$ 67,941.00
Mkt Median \$ 56,620.93 \$ 62,912.10 \$ 67,941.00
\$ Difference (Median) **-\$2,624.13 \$611.10 \$ (4,417.80)**
% Difference (Median) **-4.86% 0.96% -6.95%**

Agency	Job Title	Range Min	Range Mid	Range Max	Average Salary
SEPTA	HVAC MAINTAINER	\$ 56,620.93		\$ 62,912.10	\$ 65,578.00
PATH	HVAC REPAIRMAN	\$77,875		\$82,306	\$ 82,306.00
PAAC	HVAC TECHNICIAN	\$ 38,688.00	\$ 41,662.40	\$ 59,508.80	

PATCO A/C ELECTRICIAN \$52,936 \$62,275 \$ 61,495.20

Mkt Average	\$ 57,728.04	\$ 68,242.17	\$ 73,942.00
Mkt Median	\$ 56,620.93	\$ 62,912.10	\$ 73,942.00
\$ Difference (Median)	-\$3,684.93	-\$636.90	\$(12,446.80)
% Difference (Median)	-6.96%	-1.02%	-20.24%

Agency	Job Title	Range Min	Range Mid	Range Max	Average Salary
SEPTA	R. V. MACHINIST-FIRST CLA	\$ 56,620.93		\$ 62,912.10	\$ 62,741.00
PATH	MACHINIST-CAR EQUIPMENT	\$74,818		\$80,205	\$ 80,205.00
PAAC	MACHINIST	\$ 38,688.00	\$ 41,662.40	\$ 59,508.80	

PATCO MACHINIST 1ST CLASS \$51,792 \$60,923 \$ 60,923.20

Mkt Average \$ 56,708.84 \$ 67,541.90 \$ 71,473.00
Mkt Median \$ 56,620.93 \$ 62,912.10 \$ 71,473.00
\$ Difference (Median) **-\$4,828.93** **-\$1,988.90** **\$(10,549.80)**
% Difference (Median) **-9.32%** **-3.26%** **-17.32%**

Appendix F: Workflow Focus Group Summaries

Department: Equipment

Major Processes	Key Activities	Supporting Technology	Policy / Procedure Documents	Issues / Constraints	Improvement Opportunities
Preventive Maintenance	<ul style="list-style-type: none"> • PM Notices per schedule • Assignment of personnel • Inspections • Completion Reporting <ul style="list-style-type: none"> ○ Employee input <ul style="list-style-type: none"> ▪ Supervisor review 	<ul style="list-style-type: none"> • Equipment Management Information System (EQMIS - Unisys to be replaced by SAP) • Largely paper based • Excel: car data/ characteristic • Access: motor data 	<ul style="list-style-type: none"> • PATCO Equipment Maintenance Instruction (PEMI) <ul style="list-style-type: none"> ○ Monthly ○ 15,000 miles ○ 30,000 miles ○ Etc • Checklists • Moving to tablets from hard copy documents. 	<ul style="list-style-type: none"> • Car availability • Pit space is constrained • People <ul style="list-style-type: none"> ○ Inadequate staffing ○ Aging workforce/ disability <ul style="list-style-type: none"> ▪ ie: 5 weeks vacation • Parts • Can't keep parts 	<ul style="list-style-type: none"> • More cars (after rehab) • Satellite locations for equipment parts inventory management <ul style="list-style-type: none"> ○ Space needed • More people <ul style="list-style-type: none"> ○ Operators to move cars to shop
Running Maintenance	<ul style="list-style-type: none"> • Work order <ul style="list-style-type: none"> ○ Transit services • Inspect/ triage <ul style="list-style-type: none"> ○ Set priorities • Assign repairs • Fix • Return to service 	<ul style="list-style-type: none"> • EQMIS • Excel • Access 	<ul style="list-style-type: none"> • Manufacturer's manuals • New manuals being delivered as a part of the car overhaul program 	<ul style="list-style-type: none"> • Car availability • People • Operators to move cars <ul style="list-style-type: none"> ○ Training levels/ skills sets • Parts availability • Low P-Card limits 	<ul style="list-style-type: none"> • Operators to move cars • Store room hours/ cycle count <ul style="list-style-type: none"> ○ Align to maintenance schedule • Mechanic work rules • Raise P-Card limit
“Back Shop” Maintenance	<ul style="list-style-type: none"> • Truck overhaul program • Air brake valves • Air compressors • Machine shops • Daft gears/ couplers 	<ul style="list-style-type: none"> • Parts sheets (paper) 	<ul style="list-style-type: none"> • Manufacturer procedures • In house procedures 	<ul style="list-style-type: none"> • Gear box • Traction motors <ul style="list-style-type: none"> ○ 3 years/ \$3 million ○ Spent \$3 million the first year • Parts availability • Procurement • Need 8 trucks per month for rehab 	<ul style="list-style-type: none"> • Revise contracts to industry standards • Add sub-assemblies to inventory • Outsource? • “Automatic procurement”

Major Processes	Key Activities	Supporting Technology	Policy / Procedure Documents	Issues / Constraints	Improvement Opportunities
Car Cleaning	<ul style="list-style-type: none"> • Car wash • Litter debris • Yard pick up • Platform pick up • Downtown pick up • Heavy interior cleaning <ul style="list-style-type: none"> ○ A/B/C schedule 	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • Car cleaning procedure 	<ul style="list-style-type: none"> • Car availability • Operators to move cars • Occasional shortage of cleaning supplies • No direct supervision of custodians 	<ul style="list-style-type: none"> • Custodians to Transit Services • New supervision • Span of control
Shop Maintenance	Repair and maintenance of: <ul style="list-style-type: none"> • Machine shop • Car wash • Portable jacks • Hoist 	<ul style="list-style-type: none"> • Paper based 	<ul style="list-style-type: none"> • Various written procedures • Shop Equipment Maintenance Instruction - SEMI 	<ul style="list-style-type: none"> • Currently vacant positions • Way & Power always responsive and timely • Availability of the lift 	<ul style="list-style-type: none"> • Another in-floor lift • Another Maintenance Mechanic would be valuable
Car Overhaul Program	<ul style="list-style-type: none"> • Maintenance checklist • Remove equipment & trucks from old cars • Add equipment & trucks to new cars 	<ul style="list-style-type: none"> • None identified 	<ul style="list-style-type: none"> • Vendor supplied documentation (as modified and expanded by PATCO staff) 		<ul style="list-style-type: none"> • Improved maintenance

Department: Passenger Services & Fare Collection

Major Processes	Key Activities	Supporting Technology	Policy / Procedure Documents	Issues / Constraints	Improvement Opportunities
Test & Inspect Fare Collection Equipment	<ul style="list-style-type: none"> • Ticket Vending Machines (58) • Paddle gates (181) • Parking gates (26) • 2 hours • Twice daily parking lot inspections 	<ul style="list-style-type: none"> • Excel spreadsheets • ERP <ul style="list-style-type: none"> ○ Work orders • CUBIC <ul style="list-style-type: none"> ○ HP Openview ○ Upgrade in process (March 2016) 	<ul style="list-style-type: none"> • Limited policies and procedures documentation • Manufacturers manuals • On the job training 	<ul style="list-style-type: none"> • Limitations on radio use 	<ul style="list-style-type: none"> • Allow Customer Service Agent to dispatch tech by radio <ul style="list-style-type: none"> ○ Station & Device • ERP
Repair Fare Collection Equipment	<p><u>On Location</u></p> <ul style="list-style-type: none"> • Complete inspection • Review incident complaint • Coordinate and close incident with supervisor • Update Center tower log <p><u>Bench</u></p> <ul style="list-style-type: none"> • Program maintenance • Repairs 	<ul style="list-style-type: none"> • Form log • CUBIC 	<ul style="list-style-type: none"> • CUBIC manuals 	<ul style="list-style-type: none"> • Customer Service Agent not reliably keeping log <ul style="list-style-type: none"> ○ Initial entry ○ Cleared incidents • TVM / Fare gate parts Inventory <ul style="list-style-type: none"> ○ Procurement lead time 	<ul style="list-style-type: none"> • ERP – Center Tower <ul style="list-style-type: none"> ○ Enters incident ○ Triggers incident ○ If tech can't fix, then create work order • ERP – Inventory <ul style="list-style-type: none"> ○ “Virtual store room”
Preventive Maintenance	<ul style="list-style-type: none"> • Night shift location • Bench 	<ul style="list-style-type: none"> • Form log • CUBIC 	<ul style="list-style-type: none"> • Checklists • Replacement schedules 	<ul style="list-style-type: none"> • Parts availability 	<ul style="list-style-type: none"> • ERP – Virtual store room
Internal Support	<ul style="list-style-type: none"> • Coordination with Way & Power • Coordinate with Revenue • Coordinate with Information Services 	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • None • Established standard practice 	<ul style="list-style-type: none"> • Communication with Internal Support <ul style="list-style-type: none"> ○ IS not reliability closing tickets 	<ul style="list-style-type: none"> • Establish clear service level agreements with PATCO departments.

Major Processes	Key Activities	Supporting Technology	Policy / Procedure Documents	Issues / Constraints	Improvement Opportunities
External (Contractor) Support	<ul style="list-style-type: none"> • Re-wiring stations • WAN cabinets • Parking lot repairs • PATCO Tech Svs. Manager (Spinelli) • DRPA Engineering POC 	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • Contracts 	<ul style="list-style-type: none"> • Need improved coordination/ communication <ul style="list-style-type: none"> ○ Timely 	<ul style="list-style-type: none"> •
Cash Handling	<ul style="list-style-type: none"> • TVM servicing – money handling units • Process money daily • Vault • Reconciliation process • Deposit spreadsheet • Dunbar (armored car service) contract administration • Control of TVM cash – currency and coinage 	<ul style="list-style-type: none"> • Excel • CUBIC 	<ul style="list-style-type: none"> • CUBIC provided procedure manual • Procedures checklist for station supervisors 	<ul style="list-style-type: none"> • Short staff <ul style="list-style-type: none"> ○ 2 revenue collectors ○ 1 temp • Supervisors not allowed to do minor TVM “fixes” due to labor concerns 	<ul style="list-style-type: none"> • Address staffing • Need 1 supervisor & 2 ticket ambassadors per station during rush period <ul style="list-style-type: none"> ○ 6:00 am-10:00 am ○ 3:00 pm-7:00 pm • Monday-Friday <ul style="list-style-type: none"> ○ Supervisor ○ 3:00 pm-11:00 pm • Tuesday-Saturday <ul style="list-style-type: none"> ○ Supervisor & Ticket Ambassadors ○ 3:00 pm -11:00 pm
Customer Service	<ul style="list-style-type: none"> • Assist passengers in stations • Baggage assistance • Escort to vehicles • Lost & Found (Lindenwold) 	<ul style="list-style-type: none"> • ERP <ul style="list-style-type: none"> ○ Few tablets ○ Sylvia only (at this time) 		<ul style="list-style-type: none"> • Station supervisors do not always know service status/ changes timely 	<ul style="list-style-type: none"> • Tablets provided to all station supervisors • Dispatchers should reliably communicate status changes to station supervisors (radio)
Other	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • 		<ul style="list-style-type: none"> • Need for succession planning 	<ul style="list-style-type: none"> • Apprenticeship • Over-fill authority

Department: System Safety

Major Processes	Key Activities	Supporting Technology	Policy / Procedure Documents	Issues / Constraints	Improvement Opportunities
Inspection Audit & Reporting	<ul style="list-style-type: none"> Emergency Exits with Way & Power Track Inspections Rail Car inspections 	<ul style="list-style-type: none"> Word 	<ul style="list-style-type: none"> Rely on departmental standard operating policies and procedures 	<ul style="list-style-type: none"> None identified 	<ul style="list-style-type: none"> Provide Safety with access to key operational systems (MOWIS)
Safety Meetings AAR	<ul style="list-style-type: none"> Safety Coordinating Committee Support Prepare agenda Develop performance indicators Hazard meeting 	<ul style="list-style-type: none"> Word Outlook 	<ul style="list-style-type: none"> Systems Safety Plan 	<ul style="list-style-type: none"> Lack of timely information for performance indicators 	<ul style="list-style-type: none"> Improve process for collecting and analyzing safety performance indicators
Hazard Management	<ul style="list-style-type: none"> Risk assessments and corrective action planning 	<ul style="list-style-type: none"> SAP (future) 	<ul style="list-style-type: none"> System Safety Plan 	<ul style="list-style-type: none"> None identified 	<ul style="list-style-type: none"> None identified
Training	<ul style="list-style-type: none"> Contractor safety training New employees Familiarization tours 	<ul style="list-style-type: none"> Power Point Visual aids Video Excel Word 	<ul style="list-style-type: none"> DRPA Contractor Safety Administrative Manual System Safety Plan 	<ul style="list-style-type: none"> Lack of PATCO controls for contractor training re-certification 	<ul style="list-style-type: none"> Flagmen spot check Database for tracking safety certifications / renewal dates
Audit	<ul style="list-style-type: none"> Schedule meetings with department heads Observing work activities Reviewing SOPs Report of findings 	<ul style="list-style-type: none"> Word Paper 	<ul style="list-style-type: none"> Checklist System Safety Plan 	<ul style="list-style-type: none"> Scheduling Timely documentation from departments 	<ul style="list-style-type: none"> Improve manager accountability for role in safety process
Compliance	<ul style="list-style-type: none"> Drug/alcohol testing Hazardous waste 	<ul style="list-style-type: none"> Excel 	<ul style="list-style-type: none"> Hardcopy/intranet 	<ul style="list-style-type: none"> Confirmed space permitting process National transit database reporting Administrative control to safety policy updates 	<ul style="list-style-type: none"> Documentation of compliance (closed space)

Department: Transit Services

Major Processes	Key Activities	Supporting Technology	Policy / Procedure Documents	Issues / Constraints	Improvement Opportunities
Develop Schedule	<ul style="list-style-type: none"> • Traffic trend analysis • Estimate service demand • Establish workforce requirement • Equipment requirements (78) going to 120 • Track availability of equipment 	<ul style="list-style-type: none"> • Cubic fare collection / ticketing system (passenger counts) • Excel • Trapeze (licensed but not fully used) 	<ul style="list-style-type: none"> • Union Rules • Transit Services <ul style="list-style-type: none"> ○ Policies ○ Rules ○ Procedures 	<ul style="list-style-type: none"> • Track availability • Management of W&P workforce (CIP support) • Inability to communicate schedule changes timely 	<ul style="list-style-type: none"> • Schedule changes for W&P <ul style="list-style-type: none"> ○ Off Peak • Automated schedule change notifications • Improve management of contractors requirements for track
Operate Schedule	<ul style="list-style-type: none"> • Provide schedules <ul style="list-style-type: none"> ○ Operators ○ Supervisors ○ Cars • Response to issues during service <ul style="list-style-type: none"> ○ Staffing availability ○ Mechanical ○ Incidents of various kinds ○ Power disruptions ○ Etc. 	<ul style="list-style-type: none"> • CARS • SCADA/CTC 	<ul style="list-style-type: none"> • Transit Services policies and procedures documents 	<ul style="list-style-type: none"> • Weather • Power disruptions • Crowds/large events • Lack of operators / equipment to run schedule 	<ul style="list-style-type: none"> • 84 available cars • Additional electrical feeds?
Work Management	<ul style="list-style-type: none"> • Customer Service • Defects • Complaints • Social Media 	<ul style="list-style-type: none"> • Telephone • Radio • SCADA/CTC 	<ul style="list-style-type: none"> • Transit Services policies & procedures 	<ul style="list-style-type: none"> • Transit Services becomes the “owner” of the defects • Unusual Occurrence report process is cumbersome • No current social media procedures are documented. 	<ul style="list-style-type: none"> • Streamline Unusual Occurrence (U. O.) report

Major Processes	Key Activities	Supporting Technology	Policy / Procedure Documents	Issues / Constraints	Improvement Opportunities
Right of Way Maintenance	<ul style="list-style-type: none"> • Grounds & embankments • Drainage • Tree • Inspection • Viaducts 	<ul style="list-style-type: none"> • Excel • Maintenance of Way Information System (MOWIS) • To be replaced by SAP 	<ul style="list-style-type: none"> • Way & Power SOP Manual 	<ul style="list-style-type: none"> • ERP transition/readiness • No Building Information Management • Low employee morale • Headcount/manpower • CIP project support • Lack of access to material lead times • Purchasing thresholds 	<ul style="list-style-type: none"> • Streamline purchasing process • Increase purchasing thresholds • P Cards • Maintainer staffing (42?) • Print/ Plan availability (All)
Track Maintenance and Repair	Inspection and maintenance of: <ul style="list-style-type: none"> • Running rail • Switches/ interlockings • Track bed • Pole line • Lindenwold yard 	None identified		<ul style="list-style-type: none"> • CIP support • Inspection staffing 	<ul style="list-style-type: none"> • Inspector certification • Flagging – hire as employees • More night shift <ul style="list-style-type: none"> ○ Dispatcher
Building / Structural Maintenance	Inspections, replacement and repair of: <ul style="list-style-type: none"> • Roofs • Doors • Drains • Parking lots • Garbage/custodial • Plumbing • Platforms 	None identified		<ul style="list-style-type: none"> • Restricted access to facilities (morning & afternoon rush) 	<ul style="list-style-type: none"> • Contract building improvements • Re-organization out of Way & Power • Access to scanned “as-built” drawings in PDF format • Index/cross reference to drawings

Major Processes	Key Activities	Supporting Technology	Policy / Procedure Documents	Issues / Constraints	Improvement Opportunities
Power	Inspection, maintenance and repair of: <ul style="list-style-type: none"> • 3rd Rail • Pole link • 10 substations • Parking & station lighting • HVAC • Compressors/pumps 	None itemt		<ul style="list-style-type: none"> • Hiring of staff – electronic techs • Manpower • Aging workforce • Parts availability 	<ul style="list-style-type: none"> • Planned sub-station replacement/ refurbishment – one per year • Salvage parts • Training for Electronics Technicians. • Develop a maintainer apprenticeship • Implement succession management
Signals	Inspection, maintenance and repair of: <ul style="list-style-type: none"> • Switches • Relays • Central instrument locations • Physical “signals” • Motor generators 			<ul style="list-style-type: none"> • Long lead times for parts • Cost of parts • Purchasing – Sole source justification • Lack of signaling training 	<ul style="list-style-type: none"> • New SCADA next month • Training in Signals <ul style="list-style-type: none"> ○ Re-certification
Communication	Installation, maintenance and repair of: <ul style="list-style-type: none"> • Fiber Optics • Nodes • Computers • SCADA/CTC • Phones • Copper wiring • Vital circuits 			<ul style="list-style-type: none"> • Contractor damage • Older generation fiber • Theft of copper • Lack of IS support <ul style="list-style-type: none"> ○ Cumbersome process 	<ul style="list-style-type: none"> • New SCADA next month • Improve IT Help Desk • SLA

Appendix G: DRPA / PATCO Management Response

PATCO Management Audit Management Response



Index	Recommendation	Priority	Timing			Accountabilities ¹	DRPA / PATCO Management Response	
			FY 16	FY 17	Future		Agree/ Disagree ²	Comment
Organization and Management								
ORG-1	Continue and expand efforts to fully integrate PATCO into the broader structure of the Authority.	High	●	●	●	<ul style="list-style-type: none"> DRPA Chief Executive Officer PATCO General Manager 	Agree	
ORG-2	Improve the alignment of the PATCO strategic planning process with that of the DRPA and strengthen its linkage to daily operational planning and performance management.	High	●			<ul style="list-style-type: none"> DRPA Director of Strategic Initiatives PATCO General Manager Technical Projects Manager 	Agree	C. Maroney – In 2016, the Authority will undertake a new strategic planning process for DRPA and PATCO. We will create a single overarching plan that encompasses DRPA and PATCO as well as division / departmental-level operational or action plans that will cascade from the high-level plan to ensure alignment with and accountability for the established strategic objectives.
ORG-3	Create lead-worker / “Senior” level roles in those units with excessive spans of control to provide “working supervisors” as needed.	High	●			<ul style="list-style-type: none"> PATCO General Manager Human Resources Services Director 	Agree	<p>J. Rink- Position of “Auxiliary Supervisor” already exists in Transit Services and Equipment. Way & Power in process of developing, have in place by end of first quarter of 2016.</p> <p>B. Cornelius- We would need to work these out with HR. I believe these can be the types of “progressive” positions where we can assign employees to see if they’re a good fit with a move-up to a higher position of authority.</p> <p>D. Fullerton- There should be qualifications and prerequisites for assignment to supervisory position. These positions could be used as a means for identifying and developing candidates for management positions.</p>

NOTES: 1 Red text in the Timing and Accountabilities columns represent suggested changes
2 Red text to highlight areas of disagreement with the consultants’ recommendations

Index	Recommendation	Priority	Timing			Accountabilities ¹	DRPA / PATCO Management Response	
			FY 16	FY 17	Future		Agree/ Disagree ²	Comment
ORG-4	Streamline and simplify the current titling of PATCO positions.	Med	●			<ul style="list-style-type: none"> Human Resources Services Director PATCO leadership team 	Agree	J. Rink- Human Resources CCI study will address T. Brown – The Authority has engaged Career Concepts Inc. (CCI) to conduct a comprehensive assessment of the Authority’s job classification and compensation system. These matters will be addressed in that stud.
ORG-5	Review selected positions for reclassification and upgrade.	Med	●			<ul style="list-style-type: none"> Human Resources Services Director PATCO leadership team 	Agree	J. Rink- Human Resources CIC study will address. T. Brown – The Authority has engaged Career Concepts Inc. (CCI) to conduct a comprehensive assessment of the Authority’s job classification and compensation system. These matters will be addressed in that study.
ORG-6	Reorganize Way & Power to separate core responsibilities from ancillary support activities, creating an independent Facilities Management unit.	High	●			<ul style="list-style-type: none"> PATCO General Manager DRPA Chief Executive Officer Way & Power Director 	Disagree	J. Rink / B. Cornelius- This seems to be wasteful, with a duplication of management and a silo-effect of represented employees. With one unified Way & Power Department, we have the ability for managers to oversee various responsibilities and for represented employees to be assigned where the need is highest at the time. There is no proposed Director for the department, only a Manager. Therefore Asst. GM would be assuming a Director’s role with proposed department, shouldn’t be in a day-to-day role. Move forward with original proposed restructuring.
ORG-7	Expedite the filling existing vacancies and conduct detailed workload and staffing analyses in all PATCO departments to justify any additional staffing requirements.	High	●	●		<ul style="list-style-type: none"> PATCO General Manager PATCO leadership team Human Resources Services Director 	Agree	

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Index	Recommendation	Priority	Timing			Accountabilities ¹	DRPA / PATCO Management Response	
			FY 16	FY 17	Future		Agree/ Disagree ²	Comment
ORG-8	Consolidate the Drug and Alcohol compliance program within the DRPA Police Department.	Med	●			<ul style="list-style-type: none"> • DRPA Chief Executive Officer • <i>DRPA Police Chief</i> • <i>PATCO System Safety Manager</i> • <i>DRPA Chief Administrative Officer</i> • <i>Human Resources Services Director</i> 	Agree	<p>J. Rink- Concur w/D. Fullerton comments. DRPA/PATCO program should be centralized under one department/person.</p> <p>B. Cornelius- Most companies have this function in the HR Department, I believe.</p> <p>D. Fullerton- The drug and alcohol program should be consolidated but Public Safety may not be the right place. The key is to centralize it for efficiency and resource it adequately so that it doesn't detract from other functions. Human Resources or another unit within Administration probably makes more sense. An HRS Specialist could do day-to-day operation of the program under the supervision of a trained Administrator.</p> <p>J. Stief – I concur with D. Fullerton response above and believe that this should be managed by one department. Unfortunately, Public Safety cannot absorb this type of function due to staffing levels at this time.</p> <p>T. Brown – HRS should be involved. Please add Chief Administrative Officer and Director, HRS to the Accountabilities column.</p>

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Index	Recommendation	Priority	Timing			Accountabilities ¹	DRPA / PATCO Management Response	
			FY 16	FY 17	Future		Agree/ Disagree ²	Comment
ORG-9	Consider reassignment of Customer Service Agents to the Passenger Services unit.	Low		●		<ul style="list-style-type: none"> • PATCO General Manager • <i>Passenger Services and Fare Collection Director</i> • <i>Transit Services Director</i> 	<p>Agree/ Disagree</p>	<p>B. Cornelius- I agree that the CSAs should roll up to the Passenger Services unit, but it would require 1 or 2 extra employees for Passenger Services to supervise these positions. The CSAs are co-located in Center Tower with the Train Dispatchers and Social-Media personnel. The Supervising Dispatcher or Dispatcher provides immediate, front-line oversight, but the position more logically belongs under Passenger Services. But Passenger Services doesn't have spare managers to oversee the personnel in Center, and it wouldn't be efficient to have one or more. I am fine with the CSAs being under Passenger Services, but their immediate oversight should remain with the Train Dispatchers /Supervising Train Dispatchers.</p> <p>K. Imperatore - Function should remain under Transit Services, 24-hour supervision for CSAs is not available in Passenger Services</p> <p>D. Fullerton- This should be implemented such that there is still direct immediate communication between the Train Dispatcher and CSA's, at least during emergencies. However the Train Dispatcher should not be involved in routine customer service interactions with passengers.</p>

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Index	Recommendation	Priority	Timing			Accountabilities ¹	DRPA / PATCO Management Response	
			FY 16	FY 17	Future		Agree/ Disagree ²	Comment
Operational Efficiency and Effectiveness								
OPS-1	Implement automated work order management technology.	High	●	●		<ul style="list-style-type: none"> • Information Services Director / CIO • <i>PATCO leadership team</i> 	Agree	K. LaMarca - We are scheduled to go live with SAP on Jan. 4, 2016. The new system incorporates full notification and work order generation and management.
OPS-2	Continue efforts to ensure coordination, collaboration and teamwork among the various departments most directly involved in rail operations and service delivery.	Med	●	●	●	<ul style="list-style-type: none"> • PATCO General Manager • <i>Assistant General Manager</i> • <i>Transit Services Director</i> • <i>Way & Power Director.</i> • <i>Equipment Director</i> 	Agree	J. Rink - Add Equipment Director to Accountabilities
OPS-3	Develop alternative approaches to the provision of flagging and PATCO asset protection support to capital improvement projects.	High	●			<ul style="list-style-type: none"> • PATCO General Manager • <i>Way & Power Director</i> • <i>DRPA Chief Engineer</i> • <i>PATCO Safety Manager</i> 	Agree	J. Rink - Add Safety Manger, assist to make sure proper safety SOPs are developed

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Index	Recommendation	Priority	Timing			Accountabilities ¹	DRPA / PATCO Management Response	
			FY 16	FY 17	Future		Agree/ Disagree ²	Comment
OPS-4	Consider renting portable storage modules to safely and securely house all assets being delivered to support the new rail vehicles.	High	●	●		<ul style="list-style-type: none"> • PATCO General Manager • <i>Equipment Director</i> 	<p>Agree D. Fullerton</p> <p>Disagree R. Traver</p>	<p>D. Fullerton- It should be made clear that this is a temporary measure and not a substitute for effective space/facilities planning.</p> <p>R. Traver- We already have 1 storage box on property and we are systematically removing legacy parts from inventory. We have 4 cars worth of spare parts departing PATCO on a monthly basis. Additionally, Alstom is 100% responsible for non-consumable spare parts during the warranty period.</p>
OPS-5	Provide for secure storage for truck overhaul parts and develop procedures for improved asset control.	High	●	●		<ul style="list-style-type: none"> • Equipment Director • <i>PATCO Purchasing Agent</i> • <i>PATCO Stores Supervisor</i> 	<p>Agree</p>	<p>R. Traver- We are building kits of truck material that will be inventoried and securely stored in the annex building.</p>
OPS-6	Thoroughly assess the impacts on PATCO staffing, processes and technology required to fully implement Transit Asset Management.	High	●	●		<ul style="list-style-type: none"> • PATCO General Manager • <i>Assistant General Manager</i> • <i>Equipment Director</i> • <i>Way & Power Director</i> • <i>PATCO Finance Director</i> 	<p>Agree</p>	<p>R. Traver- We are working with our SAP integrator developing to methodologies track and maintain assets.</p>

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Index	Recommendation	Priority	Timing			Accountabilities ¹	DRPA / PATCO Management Response	
			FY 16	FY 17	Future		Agree/ Disagree ²	Comment
OPS-7	Over time, phase out the Fare Collection Equipment Repairman job and transition to 100% staffing at the Technician level.	Med		●	●	<ul style="list-style-type: none"> • Passenger Services & Fare Collection Director • <i>Fare Collection Foreman</i> 	Agree	K. Imperatore- It is the current practice to replace an open repairmen opening with an ET.
OPS-8	Ensure adequate staffing in Equipment and Way and Power and conduct job hazard analyses for the maintenance functions (rolling stock, infrastructure & facilities).	High	●			<ul style="list-style-type: none"> • System Safety Program Manager • <i>Way and Power Director</i> • <i>Equipment Director</i> • <i>Human Resources Services Director</i> • <i>Potential consulting support</i> 	Agree	<p>J. Rink- Add Equipment Director oversees Rolling Stock. Your write-up discusses Equipment Dept.</p> <p>D. Fullerton- Some of this could be accomplished through the existing safety consulting contract.</p> <p>T. Brown – HRS should be involved. Please add Human Resources Services Director.</p>
OPS-9	Streamline and accelerate the recruitment and selection processes.	High	●	●		<ul style="list-style-type: none"> • Human Resources Services Director • <i>DRPA Chief Administrative Officer</i> • <i>PATCO Assistant General Manager</i> • <i>Strategic Initiatives Director</i> 	Agree	T. Brown – The recruitment and selection process is lengthy and complex and is best viewed as a shared responsibility of the user department and HRS. Several of the steps in the process are required by Board policy and expectations. HRS will work with PATCO to help assure a mutual understanding of the requirements of the process and to identify ways to reduce the amount of time required to complete selections and promotions.

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OPS-10	Increase purchasing thresholds and delegate additional purchasing authority to the General Manager.	Med	●			<ul style="list-style-type: none"> DRPA Board of Commissioners DRPA Chief Executive Officer 	Agree	<p>J. Rink- Will help to eliminate/reduce delays in obtaining critical parts/supplies and services. Long delays/lead-times can impact service.</p> <p>(Auditor Comment - This is ultimately a policy decision form the Board of Commissioners.)</p>
OPS-11	Implement procurement cards for Way & Power and other PATCO departments in connection with the ERP rollout.	High	●			<ul style="list-style-type: none"> PATCO General Manager DRPA Purchasing and Stores Manager PATCO Purchasing Agent 	Agree	<p>J. Rink- This will be implemented once ERP rollout.</p>
OPS-12	Over time, as the new ERP systems mature and stabilize, consolidate and reduce (or eliminate) the dedicated Finance, Payroll and Purchasing staff assigned to support PATCO.	Low			●	<ul style="list-style-type: none"> DRPA Chief Financial Officer PATCO General Manager PATCO Finance Director 	Agree	<p>J. White - I agree that we need to look at Finance, as a whole (DRPA/PATCO) after we get comfortable with the SAP implementation. I think it probably take at least 6 months to a year for us to get a sense of its impact on Finance. There is a need for us to reassess roles and responsibilities within the Finance Division, and a review of PATCO is part of reassessment. I do believe that it is desirable for maintain some presence at PATCO, but again we need to look at Finance Division as a whole in the next 1 -2 years.</p> <p>J. Lotierzo- The adoption of common enterprise software will create an opportunity to streamline processes, however, I do not agree with the "Improvement Concept" of consolidating PATCO finance personnel at the DRPA. It is my opinion; PATCO finance should remain located at PATCO. Consolidating of PATCO finance personnel would create a disconnect between PATCO personnel, operations and administration. The disconnect is apparent with the consolidated services with HRS.</p>

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								<p>D. Fullerton- Care should be taken not to completely eliminate the opportunity to work face-to-face with Purchasing personnel. It's often better to show the Purchasing Specialist what you need or the difference between two products. Better understanding of what's needed reduces mistakes, returns and re-orders.</p> <p>B. Cornelius- While Finance and Payroll could be consolidated, there's value in having face-to-face contact with Purchasing. It could all be consolidated if there's a dedicated PATCO person at DRPA, someone who understands the intricacies of purchasing for an electrified railroad.</p> <p>J. Rink- Concur with above comments</p>
OPS-13	Ensure that PATCO employees at all levels are fully trained in the new ERP system and associated business processes before migrating to the upgraded technology.	High	●			<ul style="list-style-type: none"> • DRPA Chief Executive Officer • <i>DRPA Information Systems Director / CIO</i> • <i>PATCO leadership team</i> 	Agree	<p>D. Fullerton- I haven't heard much discussion about ongoing training. There is absolutely a need for new employee training and possibly remedial training. Super-users can provide a lot of this but there still needs to be an ongoing formal training process. Super-users will especially need ongoing training to ensure their knowledge and skills remain current.</p> <p>K. LaMarca- All PATCO (and DRPA) employees will receive full training in all job relevant aspects of the new system. End-user training took place beginning in November, 2015 and continues post go-live.</p>

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OPS-14	Complete a thorough update of the DRPA / PATCO classification and compensation plan, with a particular focus on restoring market competitiveness and “decompressing” the structure.	High	●			<ul style="list-style-type: none"> • DRPA Chief Administrative Officer • <i>Human Resources Services Director</i> • <i>PATCO General Manager</i> • <i>PATCO leadership team</i> • <i>CCI consulting resources</i> 	Agree	<p>T. Brown – The office of the Chief Administrative Officer and the Department of Human Resource Services are currently managing a large scale, comprehensive review of the DRPA / PATCO compensation program. The study is being performed by CCI and will address these matters thoroughly.</p> <p>J. Rink- Human Resources CCI study will address.</p>
OPS-15	Work with Human Resources Services to create develop and define a fully documented managerial and leadership competency model for PATCO staff.	Med		●	●	<ul style="list-style-type: none"> • Human Resources Services Director • <i>DRPA Chief Administrative Officer</i> • <i>PATCO General Manager</i> • <i>PATCO leadership team</i> • <i>Potential consulting support</i> 	Agree	<p>T. Brown – The existing performance evaluation program for non-represented personnel includes a basic level of competency assessment. While not yet a fully-formed competency-based model for the management of managerial and leadership development programs, HRS supports enhancement of these efforts over the long term.</p>

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OPS-16	Working in collaboration with Human Resources Services, develop and document a formalized competency-based management and leader development program.	Med			●	<ul style="list-style-type: none"> • Human Resources Services Director • <i>PATCO General Manager</i> • <i>PATCO leadership team</i> • <i>Potential consulting support</i> 	Agree	T. Brown – See remarks above. DRPA currently provides training and development funding in the PATCO budget and various training and development opportunities are made available to PATCO personnel. We will continue to encourage PATCO staff to take advantage of these opportunities and support the development of a more formalized management development program as resources permit.
OPS-17	In partnership with HRS, PATCO should develop and implement a comprehensive succession planning program.	High		●	●	<ul style="list-style-type: none"> • PATCO General Manager • <i>PATCO leadership team</i> • <i>Human Resources Services Director</i> • <i>Consulting support</i> 	Agree	T. Brown – Human Resources Services provides PATCO management with data relative to current and approaching retirement eligibility dates to promote awareness of pending succession challenges. We agree that PATCO would benefit from the development of a more robust plan for succession management and stand ready to assist in that effort.

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<i>Policies, Practices and Compliance</i>								
PPC-1	Prepare a standardized and current set of operating policy and procedures manuals that are consistent across departmental lines, well communicated, fairly enforced and regularly reviewed and updated.	High	●	●		<ul style="list-style-type: none"> • PATCO General Manager • <i>PATCO leadership team</i> • <i>Consulting support</i> 	Agree	J. Rink - Will need support from consultant to assist in development of procedures.
PPC-2	Provide adequate resources and executive support / sponsorship to effectively implement the Safety Management System approach going forward.	High	●	●	●	<ul style="list-style-type: none"> • DRPA Chief Executive Officer • <i>PATCO General Manager</i> • <i>System Safety Program Manager</i> • <i>PATCO leadership team</i> 	Agree	<p>J. Hanson – Agree to the extent mandated by the FTA.</p> <p>D. Fullerton- This is essentially recommending that we comply with upcoming regulations.</p> <p>J. Rink- will follow Federal Regulations</p> <p>B. Cornelius- these new Federal regulations may lead to additional headcount because of the new regulations and their implementation. We may think we don't need these particular personnel but the FTA is telling us that we do.</p>

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PPC-3	Consolidate all DRPA safety related functions with the PATCO System Safety Department to create a Safety Center of Excellence (COE).	Med		●		<ul style="list-style-type: none"> • DRPA Chief Executive Officer • <i>PATCO General Manager</i> • <i>System Safety Program Manager</i> • DRPA Chief Administrative Officer • <i>DRPA Risk Management & Safety Director</i> 	Agree	<p>J. Hanson – Additional evaluation must be completed internally before a formal determination can be made.</p> <p>T. Brown – Agree conceptually with the benefits of consolidation and the creation of a Safety Center of Excellence, with the understanding that such consolidation not dilute the focus of safety oversight of DRPA bridges and other facilities and programs. Add DRPA Chief Administrative Officer to the Accountabilities.</p>
PPC-4	Continue to fully fund the safety and security contractors supporting PATCO's safety and security efforts and ensure that a safety training and certification program compliant with upcoming 49 CFR 674 is developed and deployed.	High	●	●	●	<ul style="list-style-type: none"> • PATCO General Manager • <i>System Safety Program Manager</i> 	Agree	

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PPC-5	Consider hiring a PATCO Emergency Manager.	Med		●		<ul style="list-style-type: none"> PATCO General Manager <i>System Safety Program Manager</i> 	Disagree	J. Rink/B. Cornelius- Don't see the need for this, don't believe a full-time position. While the justification says that "there is a risk that insufficient attention is being given to...the PATCO system," we haven't seen evidence of that. Is it something that the existing two Homeland staff aren't handling? We don't think it is. If something is missing, believe it could be handled with a consultant or part-time position, or under current Homeland Security Dept.
PPC-6	Continue the existing practice of responsiveness and attention to future Triennial Review recommendations.	High		●		<ul style="list-style-type: none"> PATCO General Manager <i>PATCO leadership team</i> 	Agree	
PPC-7	Continue the contractual relationship with SEPTA for elevator and escalator maintenance.	High	●	●	●	<ul style="list-style-type: none"> PATCO General Manager <i>Way & Power Director</i> <i>(New) Facilities Maintenance Manager</i> 	Agree	<p>D. Fullerton- We should also occasionally consider developing this expertise in-house or partnering with SEPTA on elevator and escalator maintenance. Contracting with SEPTA is currently working but we should assess that arrangement over time to make sure we're always providing the best service in the most efficient way.</p> <p>J. Rink- Concur with/D. Fullerton comment but would be a low priority at this time.</p> <p>K. Anderson – Agree!</p>
PPC-8	Fully implement the Public Participation Plan by adding Google Translate to other pages on ridepatco.org.	Med	●			<ul style="list-style-type: none"> DRPA Corporate Communication s Director PATCO General Manager 	Agree	J. Rink- Add GM to Accountabilities, PATCO should work with Corp. Communication Director.

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PPC-9	Ensure that PATCO documents all safety-critical functions, policies and procedures electronically.	Med		●		<ul style="list-style-type: none"> • System Safety Program Manager • <i>PATCO General Manager</i> 	Agree	
PPC-10	Establish an independent QA / QC and rail vehicle engineering function.	Med	●			<ul style="list-style-type: none"> • Equipment Director • <i>PATCO General Manager</i> • <i>DRPA Chief Engineer</i> 	Agree	J. Rink- Involve Engineering. Function could be assigned to a staff engineer, or Program Manager/GEC thru Engineering.
PPC-11	Engage a qualified engineering services contractor to support the development of certifiable technical documentation to address all levels of life-cycle maintenance for the trucks.	High	●	●		<ul style="list-style-type: none"> • Equipment Director • <i>PATCO General Manager</i> • <i>Consulting support</i> • <i>DRPA Chief Engineer</i> 	Agree	<p>R. Traver- We have started this process with DRPA engineering and already have most of truck modeled. This will greatly enhance the technical writing portion.</p> <p>J. Rink- Engineering should be involved/support.</p>
PPC-12	Create Training Specialist positions within Equipment and Way & Power.	High	●	●		<ul style="list-style-type: none"> • PATCO General Manager • <i>Equipment Director</i> • <i>Way & Power Director</i> • <i>System Safety Program Manager</i> • <i>Human Resources Services Director</i> 	Agree	<p>J. Rink- Safety should be involved/support, add under Accountabilities. Move out to at least FY17, new positions not included in 2016 budget submission at this time.</p> <p>T. Brown – HRS should be involved. Please add Human Resources Services Director.</p>

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PPC-13	Provide adequate resources to support the implementation of accepted audit recommendations.	High	●	●	●	<ul style="list-style-type: none"> • Board of Commissioners • <i>DRPA Chief Executive Officer</i> • <i>PATCO General Manager</i> 		(Auditor Comment - This is ultimately a policy decision from the Board of Commissioners.)

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