

# **INTERNAL AUDIT REPORT**

## **St. John's Transportation Commission (Metrobus)**

### **Paratransit Audit**

#### **Assignment # 22-01**

# **INTERNAL AUDIT REPORT**

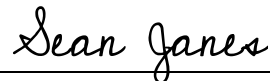
## **St. John's Transportation Commission (Metrobus)**

### **Paratransit Audit**

#### **Assignment # 22-01**



Sean McGrath CPA,  
CA, CIA, CFE  
Senior Internal Auditor  
Date: Nov. 10, 2022



Sean P. Janes, CPA,  
CMA, CIA, CFE  
City Internal Auditor  
Date: Nov. 10, 2022

# ST. JOHN'S

---

TABLE OF CONTENTS

<b>INTRODUCTION .....</b>	<b>3</b>
<b>OBJECTIVES .....</b>	<b>3</b>
<b>BACKGROUND .....</b>	<b>3</b>
Transit History and Structure .....	3
Conventional Transit .....	4
Paratransit .....	4
Paratransit Contract .....	5
Eligibility .....	6
Via System and Bookings .....	6
Strategic and Operational Planning .....	7
COVID-19 and Future Demand .....	7
Timing of Audit and Contracts .....	8
<b>METHODOLOGY &amp; SCOPE .....</b>	<b>9</b>
<b>CONCLUSION .....</b>	<b>12</b>
<b>EXECUTIVE SUMMARY .....</b>	<b>14</b>
<b>DETAILED ANALYSIS .....</b>	<b>18</b>
<b>Section 1 – Contract Oversight .....</b>	<b>18</b>
Issue 1.1 – Contract Management Plan .....	18
<b>Section 2 – Performance Measurement .....</b>	<b>21</b>
Issue 2.1 – Performance Measurement Process .....	21
Issue 2.2 – Additional Key Performance Measures .....	23
Issue 2.3 – Surveys and Feedback .....	27
Issue 2.4 – No-Show and Late Cancel Policy .....	29
Issue 2.5 – Via Mobile Phone Application .....	32
<b>Section 3 – Contract Specific Issues .....</b>	<b>35</b>
Issue 3.1 – Incentives and Disincentives .....	35
Issue 3.2 – Complaint Process and Procedure .....	37
Issue 3.3 – Vehicle Inspections .....	40
<b>Section 4 – Paratransit Service Billings .....</b>	<b>43</b>
Issue 4.1 – Billing Process .....	43
Issue 4.2 – Training .....	45
<b>Section 5 – Eligibility Transit Assessments .....</b>	<b>47</b>
Issue 5.1 – Transit Assessment Billings .....	47
Issue 5.2 – Initial Contact .....	52
Issue 5.3 – Procedure .....	54
<b>Section 6 – Protection of Personal Health Information .....</b>	<b>57</b>
Issue 6.1 - Procedure .....	57
Issue 6.2 – Electronic Surveillance .....	58
Issue 6.3 – GoBus Manual and Website Updates .....	62
Issue 6.4 – Training .....	65
Issue 6.5 – Email .....	67

---

Issue 6.6 – Fax.....	68
<b>Section 7 – Encouraging Conventional Transit.....</b>	<b>71</b>
Issue 7.1 – Travel Training .....	71
Issue 7.2 – Conventional Transit Incentives.....	74
Issue 7.3 – Feedback from GoBus Users Who Ride Metrobus .....	75

---

To: Chair & Committee Members - City of St. John's Audit Committee  
Chair and Commission Members - St. John's Transportation Commission

Area Responsible: Judy Powell, General Manager – St. John's Transportation Commission

Copy to: Kevin Breen, City Manager – City of St. John's

---

## INTRODUCTION

### **OBJECTIVES**

In accordance with the City of St. John's approved audit plan, the objective of the audit was to determine whether the St. John's Transportation Commission has adequate processes and controls in place to manage its paratransit service effectively and efficiently.

### **BACKGROUND**

#### **Transit History and Structure**

The St. John's Transportation Commission ("Commission") was formed in 1958 under the provisions of the City of St. John's Act to provide public transit service to the City of St. John's ("City") and surrounding areas. Today, City Council continues to fund and appoint the Commission, which operates as Metrobus, to oversee the City's public transit service. The Commission is governed by the City's Transportation Commission by-law (No. 1308) and is therefore considered an extension of the City rather than a separate legal entity.

The Commission consists of nine members appointed by Council, one of whom is the Chairperson and eight of whom are Commissioners. This group is comprised of City Councilors, City management, and citizens at large. The Commission sets

---

the strategic direction for Metrobus and meets at least monthly to discuss pertinent issues and provide management oversight.

### **Conventional Transit**

Metrobus provides conventional transit services to the City of St. John's, City of Mount Pearl, and Town of Paradise. Conventional transit is provided in-house by municipal employees who oversee all aspects of the Metrobus service including operations, supervision, and bus maintenance. In fiscal 2021, Metrobus delivered over 2.2 million rides, which was down from a peak of over 3.2 million rides in 2019 prior to the onset of the COVID-19 pandemic. For the 2022 fiscal year, the City has budgeted over 14 million dollars to fund the operations of Metrobus.

### **Paratransit**

Alternatively, GoBus Accessible Transit ("GoBus") provides door-to-door specialized transit service to eligible customers with disabilities who are unable to use the conventional transit system. The City's Finance and Administration Department operated GoBus until 2016 when responsibility was transferred to Metrobus. Metrobus continues to manage paratransit services under the GoBus branding for residents of St. John's and Mount Pearl today.

Unlike Metrobus, GoBus operations are contracted out to MVT Canadian Bus Inc. ("MVT"), the third-party operator who is responsible for the day-to-day operations of the GoBus service. This includes responsibility for all operational, administrative, human resource, and customer service functions. All GoBus dispatchers and drivers are employed by MVT. To meet the demand for paratransit service, MVT also has a separate contract with a taxi company in St. John's, which they often use to deliver service that cannot be accommodated by a GoBus vehicle.

Metrobus is responsible for administering the GoBus contract with MVT, including ensuring service standards are met, establishing policies, processing applications

for new customers, and networking with stakeholders. These duties are primarily the responsibility of the Manager, Accessible Transit Services (“ATS Manager”), who is the only full-time dedicated GoBus resource at Metrobus. This position reports directly to the General Manager of Metrobus.

In fiscal 2021, GoBus completed 111,263 trips, which was down from a peak of 184,516 trips in 2019 prior to the onset of the COVID-19 pandemic. The City has budgeted over 4.9 million dollars to fund the paratransit service in 2022.

### **Paratransit Contract**

Effective January 1, 2012, the City of St. John’s entered into a contract with MVT to operate GoBus. This contract was extended through December 31, 2021, whereby Metrobus pays MVT a per ride rate of \$29.48.

As outlined in the contract, Metrobus maintains ownership of its fleet of paratransit buses and leases them to MVT for a nominal fee. However, maintenance and upkeep of the buses is the responsibility of the contractor.

The paratransit service contract sets forth various standards that MVT must comply with. These include provisions related to customer service, performance standards, safety, and staffing and driver training. Incentives and penalties are in place in relation to these provisions to help influence contractor behavior.

As the contract with MVT is set to expire at the end of 2022, a request for proposal was issued by Metrobus in May of 2022 for the delivery of paratransit services. TOK Transit Limited was the successful bidder and will act as the new GoBus operator effective January 1, 2023. The provisions of the new contract are, for the most part, similar to those included in previous paratransit service contracts. However, under the new contract, Metrobus will provide fuel to the contractor at

the City Depot using City issued fuel cards. Under prior contracts, the contractor was responsible for fuel costs.

### **Eligibility**

Individuals must be registered GoBus users to utilize the paratransit service. To become a registered GoBus user, a person must apply and be deemed eligible. Generally, individuals are eligible if they are unable to use conventional public transit with dignity due to disability. For example, this can include being unable to use Metrobus due to vision, cognitive, mental health, or other disabilities.

GoBus users can be deemed to have either permanent eligibility, seasonal eligibility, or temporary eligibility. Individuals who are considered permanent users are typically persons whose disability is lifelong and unlikely to change. Seasonal eligibility refers to a user who is only eligible during the winter months from November 1 to March 31, while temporary eligibility is generally granted to individuals for a limited period based on a temporary medical condition which would prevent them from using conventional transit (e.g., broken leg).

Changes were made to the eligibility process as a result of a Transit Service Review completed by Dillon Consulting Limited for Metrobus in 2019. These changes included the hiring of a third-party to administer transit assessments to determine and approve eligibility for all GoBus applicants. Furthermore, current GoBus users at that time had to undergo these transit assessments to have their eligibility confirmed to continue using the paratransit service. Medisys Health Group Inc, a subsidiary of Telus Health Solutions GP, is responsible for performing the transit assessments and determining eligibility.

### **Via System and Bookings**

Registered GoBus users can book trips either through telephone, text, email, or an online website. Moreover, Metrobus implemented a new on-demand booking and



---

scheduling system, Via OnDemand (“Via”), in November 2021 which allows users to book trips in real-time through a mobile phone application. This software, provided by Via Transportation Inc., is designed to improve the customer experience, and optimize utilization and efficiency of the fleet. For the month of June 2022, approximately 26 percent of all bookings were made through the mobile application. Booking by telephone remained the most popular option accounting for 69 percent of the bookings for the month.

### **Strategic and Operational Planning**

The delivery of transit service, including paratransit service, is guided by Metrobus’s five-year 2019 to 2024 strategic plan. Metrobus’s vision is to deliver an exceptional travel option that exceeds expectations, while its mission is to be a key part of the transportation solution necessary for a sustainable St. John’s.

The strategic plan is built around six goals including improving employee satisfaction, increasing customer focus, creating a transit supportive culture, environmental sustainability, growing through innovation, and increasing operational efficiency. Organizational decision making should be congruent with these goals and support the overall vision and mission of Metrobus.

Additionally, Metrobus develops annual operational plans to support its strategic planning efforts. The operational plan contains a section outlining goals specific to GoBus operations. 16 goals were included in the 2021 operational plan, covering issues such as procurement, policy review, contractor monitoring, and community involvement.

### **COVID-19 and Future Demand**

GoBus operations were impacted in 2020 and 2021 by the COVID-19 pandemic and associated public health measures. Ridership fell from a record high of 184,516 rides in 2019 to 95,770 rides in 2020, increasing slightly in 2021 to

---

111,263 rides. For 2022, management has budgeted 166,069 trips to be paid to the contractor for paratransit services.

Notwithstanding the effects of COVID-19, overall, GoBus has seen a significant increase in demand for paratransit services since Metrobus assumed responsibility for the service in 2016. Based on the City's demographics and aging population, demand is expected to continue to increase in the coming years. Consequently, the financial resources needed to provide paratransit services is expected to increase as well. This is already evident from the \$4.9 million budgeted for paratransit in 2022 compared to the \$3.2 million spent on the service in 2017. As such, it is imperative that the paratransit service operates as efficiently and effectively as possible to ensure long-term viability and success.

### **Timing of Audit and Contracts**

The field work for the audit commenced in June 2022 and was completed in August 2022. The current contract with MVT runs until December 31, 2022, while a request for proposal ("RFP") for the next paratransit service contract was issued on May 26, 2022. Subsequent to the completion of the audit fieldwork, TOK Transit Limited was awarded the new paratransit contract and will take over as the new GoBus operator effective January 1, 2023.

As part of the audit, the Office of the City Internal Auditor ("OCIA") reviewed the current contract with MVT as well as the issued RFP package. The RFP included the Form of Agreement which outlined the anticipated terms and conditions of the new contract and formed the basis for commencing negotiations between the City and the selected proponent. Given the timing of the field work, the final, signed contract between the City and TOK Transit Limited was not reviewed during the audit. However, management confirmed that the final contract should be similar to the Form of Agreement included in the RFP and contain similar contract provisions.

---

For purposes of this audit report, the Form of Agreement will be referred to as the new contract, while the contract with MVT will be called the current contract.

## ***METHODOLOGY & SCOPE***

Given the specialized nature of paratransit, extensive research was performed by the OCIA during the planning stages of the audit to gain an understanding of industry standards and best practices. This information was used to develop audit criteria, which was agreed to by management, to assess the effectiveness and efficiency of GoBus operations. The research included a review of the following paratransit related literature:

1. TransitCenter, Applied Predictive Technologies, Texas A&M Transportation Institute. (2020). *Mobility Performance Metrics for Integrated Mobility and Beyond* (FTA Report No. 0152). Federal Transit Administration.
2. National Academies of Sciences, Engineering, and Medicine. (2008). *Guidebook for Measuring, Assessing, and Improving Performance of Demand-Response Transportation*. Washington, DC: The National Academies Press.
3. Nelson/Nygaard Consulting (2013). *Canadian Code of Practice for Determining Eligibility for Specialized Transit*. Canadian Urban Transit Association.
4. Wolf-Branigin, K., and Wolf-Branigin, M. (2010). *A Travel Training Cost-Benefit Model for People with Disabilities, Public Transportation Agencies, and Communities*. International Conference on Mobility and Transport for Elderly and Disabled Persons Conference Proceedings.

- 
5. King County Auditor. (2017). *Access Paratransit: Action Needed to Address Cost, Quality and Equity*. King County, Washington,
  6. Transportation Research Board (1997, 2014). *Guidebook for Attracting Paratransit Patrons to Fixed-Route Services (FTA Report No. 0024)*. Federal Transit Administration.
  7. Easter Seals Project Action (2002). *Innovative Practices in Paratransit Services*. Easter Seals.
  8. Golden, M. and Thatcher, R. (2010). *ADA Technical Assistance: Topic Guides on ADA Transportation*. Federal Transit Administration.
  9. Dillon Consulting Limited. (2011). *Metrobus Market Assessment and Strategic Directions Study*.
  10. Dillon Consulting Limited. (2019). *City of St. John's Transit Service Review (Report No. 18-8218)*.

Discussions were also held with various Commissioners of the St. John's Transportation Commission and members of management to gain an understanding of GoBus and help identify key risks facing the service.

The scope of the audit included a review of significant processes and associated internal controls that were deemed essential in providing the paratransit service. Foremost, given that the service is contracted out, the audit examined if processes and procedures are in place to ensure appropriate oversight of the paratransit service delivery contract. This included a review of the original contract with MVT and subsequent amendments, as well as the RFP issued in May of 2022, to understand what provisions are critical to the success of the paratransit service.

---

Subsequent discussions were held with management to determine if and how such provisions are monitored and reported on.

A review of the controls related to both paratransit billings and transit assessment billings was also scoped into the audit. These processes were reviewed to determine if controls are in place to ensure billings are valid, accurate, and complete.

Furthermore, the audit examined the eligibility assessment process to determine if it is reflective of best practices in that area. However, assessing whether to continue with the third-party transit assessments to determine eligibility was outside the scope of the audit. Management noted that transit assessments are still being completed for GoBus users who were approved under the old eligibility system and that these assessments are expected to be completed by September 2022. Although work completed during the OCIA's preliminary risk assessment indicated that these assessments are behind schedule, a review of meeting minutes disclosed that assessment issues are frequently discussed at Commission meetings. Given that the Commission is well informed about assessment issues, it was determined that further analysis by the OCIA would not provide value to the audit.

Alternatively, the audit evaluated whether systems and processes are in place to adequately secure confidential applicant information and protect against unauthorized access. As GoBus applicants are required to provide medical documentation as part of the application process, any potential privacy breaches could have a significant impact for both the applicant and Metrobus. Documentation and guidance was obtained from the City's Access and Privacy Analyst to help audit this area.

An analysis of the Via OnDemand software system was also scoped into the audit to determine if the system provides accurate and timely paratransit trip information.

Additionally, the audit ascertained if management makes effective use of this information for planning, billing, reporting, and monitoring purposes. To achieve this, the OCIA sat with the ATS Manager at Metrobus to inspect the capabilities of Via, observe how the system operates, and review system generated reports. Input was also gathered from the Partner Success Director at Via Transportation Inc. This individual is the main contact for Metrobus for the Via system and therefore is intimately familiar with the software and associated reporting capabilities.

Lastly, the audit considered if Metrobus has mechanisms in place to help continuously improve paratransit service quality and ensure the long-term success of the service. Areas such as fare incentives and travel training were reviewed during this section of the audit.

Source documentation related to paratransit service billings, transit assessment billings, eligibility determinations, and Via system generated reports were inspected during the audit. All source documentation examined in these areas pertained to the period between June 2021 and July 2022. When examining historical ridership numbers and paratransit funding, only historical information subsequent to October of 2016, the date the City transferred the administration of GoBus to Metrobus, was considered for purposes of the audit.

## ***CONCLUSION***

Metrobus has numerous processes in place that support an efficient and effective paratransit service. The implementation of the Via software, from a performance metric standpoint, has greatly increased the productivity of the overall paratransit system. As the demand for paratransit continues to grow, quantifiable data obtained during the audit indicates that GoBus is more efficient than ever in scheduling and servicing passenger trips.

---

Nevertheless, the audit identified other peripheral areas of the paratransit service, such as paratransit service billings and transit assessment billings, where additional internal controls should be implemented to reduce the risk of invalid and inaccurate billings. Additionally, the audit identified opportunities to implement additional best practices to enhance the effectiveness and/or efficiency of other areas of the paratransit service, such as oversight of the paratransit contract, performance measurement, customer service, and potential cost saving strategies.

---

## EXECUTIVE SUMMARY

The Office of the City Internal Auditor's ("OCIA") review of the St. John's Transportation Commission's ("Commission") paratransit service ("GoBus") focused on whether adequate processes and controls are in place to manage the service effectively and efficiently. Various elements of the paratransit service were reviewed during the audit including contract related matters, performance management, billings, the protection of personal information, and strategies to ensure the long-term viability of the service. These elements were examined and compared to industry best practices to identify opportunities for the Commission, which operates as Metrobus, to improve its overall paratransit service. Where applicable, corresponding internal controls were also reviewed to ensure they are designed effectively to minimize risks and protect assets.

Audit procedures carried out during the review identified several positive outcomes. Foremost, Metrobus's current strategic plan includes specific strategies and goals to ensure the continued success of GoBus. Furthermore, Metrobus's annual operational plan includes specific actions related to GoBus that are aligned with the strategic plan. Having these plans in place provides a roadmap for GoBus to achieve its goals, effectively allocate resources, and realize operational efficiencies.

Furthermore, the paratransit service contract contains numerous provisions, such as those related to customer service, performance measurement, and passenger safety, to help evaluate and monitor the GoBus service and drive improvement. Incentives and disincentives are also used in the contract to influence contractor behavior which is aligned with best practices within the paratransit industry.

Metrobus has also developed a comprehensive GoBus Accessible Transit Manual ("GoBus Manual") that provides operating guidelines to users of GoBus. Internally, Metrobus has developed procedure to provide direction on important business activities such as paratransit billings and other activities that must be performed



---

monthly. This procedure helps ensure consistency of operations and increases process efficiency.

Significant improvement was also identified during the audit in relation to key performance indicators tracked and reported by Metrobus. Productivity, which is considered one of the most important metrics when assessing the efficiency and effectiveness of a paratransit system, increased from 2.08 in 2017 to 3.35 in June of 2022. This substantial increase can be attributed to the implementation of a new scheduling software ("Via") in 2021. Increases were also identified in metrics related to passenger aggregation and the number of rides GoBus users take on Metrobus.

Furthermore, mechanisms are in place that contribute to strong corporate governance. Monthly Commission meetings are held and a review of supporting minutes noted that paratransit issues are frequently brought forward for discussion. Additionally, supporting information, such as monthly update reports and financial statements, is also provided to the Commission which contributes to informed decision-making. A Paratransit Working Group, comprised of individual GoBus customers, Metrobus staff, and representatives from funding partners, is also in place to support paratransit activities and help ensure GoBus operates effectively and efficiently.

While Metrobus should be commended for having the above processes and controls in place, the audit also identified opportunities for improvement. Foremost, the development of a contract management plan will allow Metrobus to better assess if the paratransit service provider is meeting the terms of the contract and providing the agreed upon level of service. It will also facilitate the accurate payment of contract related incentives and penalties. Additionally, there is an opportunity for Metrobus to formalize its performance measurement process and implement additional performance measures to better track contractor performance.

---

Metrobus should also consider receiving all customer complaints directly rather than relying on the contractor to receive and address operational complaints. Although the contractor is expected to notify Metrobus of all complaints, there are financial penalties in the contract which may discourage the contractor from doing so.

There are also additional controls that Metrobus can implement to further strengthen both the paratransit service billing and transit assessment billing processes. Controls such as management review and validation will help ensure the billings are accurate, valid, and reduce fraud risks. Additionally, gathering feedback directly from applicants who undergo transit assessments will allow for process improvement and also help validate the billings. The GoBus Accessible Transit Manual and website should also be updated to include further information about the transit assessments. Similarly, management should ensure that all information in the GoBus Accessible Transit User Guide and on the GoBus website is current and complete.

The audit also noted that it would benefit management if certain critical processes, such as the complaint process and transit assessment process, are documented in procedure. This will help ensure the processes are performed accurately and completely, thereby reducing the risk of process errors.

Recommendations regarding improvements to further secure the personal health information of GoBus applicants, including developing procedure outlining how such records should be received, stored, disclosed, and disposed of, are also noted in the audit report. Similarly, recommendations are also made pertaining to completing a privacy impact assessment regarding the onboard GoBus cameras and finalizing the Metrobus Electronic Surveillance Policy. Moreover, the Accessible Transit Services Manager should take advantage of pertinent training offered through the Department of Health and Community Services of the

---

Government of Newfoundland and Labrador regarding the protection of personal health information.

Other recommendations made in the report refer to encouraging GoBus users, where possible, to increase their usage of Metrobus's conventional transit service. Recommended strategies include better formalizing the travel training program to familiarize paratransit users with conventional travel, fare incentives for GoBus users when using conventional travel, and gathering direct feedback from GoBus users who also utilize conventional travel.

These recommendations and other observations outlined in the report will assist Metrobus in its continued effort in providing an effective and efficient paratransit service for the City and its residents.

---

## DETAILED ANALYSIS

### ***Section 1 – Contract Oversight***

#### **Issue 1.1 – Contract Management Plan**

When transit operations are contracted out to a third-party operator, it is imperative that transit authorities closely monitor the corresponding service contract to confirm that the terms of the contract, such as performance and documentation standards, are being met by the contractor. This oversight helps ensure that the transit authority is receiving the agreed upon level of contracted service.

Both the current and new paratransit service contracts contain performance standards that allow Metrobus to measure the quality of service provided by the contractor and identify areas of improvement. These include customer satisfaction and performance standards related to on-time performance, missed trips, dispatch and driver complaints, safety related incidents, and service quality. Failure to meet these standards can result in financial penalties to the contractor as stipulated in the contracts. Monthly reports relating to these performance standards are required to be submitted by the contractor to Metrobus for evaluation and invoicing purposes.

In addition to monthly reports, the contractor is also required to submit staffing and driver training records such as clean driving abstracts, records of conduct and vulnerable sector checks, first aid certifications, and proof of disability awareness training. Other documentation, such as vehicle inspection reports, can be requested by Metrobus for review at any time.

Preliminary discussions with management at Metrobus indicated that there is an opportunity to improve oversight of the paratransit contract. Management noted that certain provisions of the current contract, such as compliance with performance standards and associated penalties, are not monitored or enforced.

---

Detailed audit testing, including an inspection of billing invoices, confirmed that performance incentives and penalties were not consistently charged in 2021 and 2022. Furthermore, subsequent discussions with management noted that although the current and new contracts allow Metrobus to request and inspect various records at their discretion (e.g., vehicle inspection reports), such requests are infrequent.

Management noted that the above testing results can be attributed to several factors. Foremost, the implementation of the on-demand Via software in November of 2021 and subsequent monitoring consumed the majority of GoBus resources. Other projects, such as the eligibility transit assessments, were also ongoing which further took time away from contract oversight activities. These factors were further amplified by turnover in the position of ATS Manager in March 2022.

Inadequate monitoring of the contract increases the likelihood that provisions of the contract will not be enforced. This can have detrimental effects on the quality of the service and increase financial, operational, safety, and reputational related risks for Metrobus.

A best practice tool used for contract oversight is a Contract Management Plan, which is a formal document outlining how a contract is to be managed. Contract management plans identify what provisions of a given contract must be monitored, related roles and responsibilities, critical delivery dates, and risks and issues that need to be managed. Given that the new paratransit service contract will be effective January 1, 2023, management has an excellent opportunity to develop and implement a contract management plan to oversee and administer the new contract. This will reduce contract related risks and improve service quality and overall operations.

**Recommendation 1.1**

To strengthen oversight and better measure compliance, Metrobus should develop and execute a formal contract management plan for monitoring the new paratransit contract. The plan should address how each requirement of the contract, such as performance standards, staff and driver training, and vehicle maintenance, will be monitored and how contractor compliance will be assessed. At a minimum, the plan should include:

- the method for verifying compliance for each contract requirement.
- what documentation/reports are used to verify compliance.
- frequency of review.
- metrobus staff responsible for performing the review.
- how instances of non-compliance are communicated to the contractor.

**Management Response and Intended Course of Action 1.1**

We will investigate the development of a formal contract management plan. Our first step will be two-fold; (1) reach out to industry peers for examples of plans; and (2) contact the City's purchasing/legal for examples of plans in place at the City.

**Conclusion 1.1**

The recommendation is under consideration. Management indicated they will take the first steps to develop and potentially implement a formal contract management plan. The status of this recommendation and associated implementation will be assessed during audit follow-up work.

**Action By:** Manager, Accessible Transit Services

**Action Date:** March 2023

**Information Only:** General Manager, Metrobus

## ***Section 2 – Performance Measurement***

### **Issue 2.1 – Performance Measurement Process**

Per industry best practice, performance measurement is a key aspect in improving the performance of paratransit systems. Performance measurement involves establishing goals and objectives, selecting performance measures, establishing targets, collecting and calculating data, and assessing the resulting performance by comparison to the established targets to determine areas for improvement.

An inspection of applicable documentation during the audit noted that select performance metrics are captured on the monthly GoBus report including productivity and shared ride percentage. Furthermore, additional key performance indicators (KPIs”), such as the number of GoBus users utilizing Metrobus and the number of no-shows, are also reported on the monthly GoBus financial statements. Metrobus should be commended for tracking and reporting KPIs for its paratransit service.

Nevertheless, the audit identified opportunities to further improve the performance measurement process for GoBus. Discussions with management noted that although the KPI information is reported, there are no formal goals or targets established in relation to the KPIs. For example, the monthly June GoBus report noted shared ride percentage for the paratransit buses at 39.9 percent. However, management has not developed a target of what shared ride percentage should be. In the absence of such targets, the reported data has minimal value in understanding performance and results. Consequently, this increases the risk that opportunities to improve paratransit performance will not be identified.

**Recommendation 2.1**

To better understand and measure paratransit performance, Metrobus should:

- i. develop targets for key performance indicators. These targets can be developed through an analysis of historical performance, peer review, and/or industry averages.
- ii. continue to measure actual metrics and compare them to targeted metrics on an on-going basis.
- iii. create a standardized section on the monthly GoBus Report to report actual results of selected performance measures against planned targets.
- iv. analyze the results on an on-going basis and develop strategies to improve performance as needed.

**Management Response and Intended Course of Action 2.1**

Given the nature of the paratransit landscape in St. John's and across Canada, it would be difficult to create meaningful KPI's that would help shape our delivery model's performance. We use KPI's currently in place to show trends and help flag issues that need attention. Seeing a KPI moving in the wrong direction gives us what we need in terms of measurement of performance.

We also have plans to create a working group to provide inputs into services & software issues and our overall service delivery model. This working group is expected to be formed by mid 2023.

**Conclusion 2.1**

The recommendations will not be implemented as management indicated that it would be difficult to develop meaningful KPI's with targets to help shape its paratransit delivery model. Management also noted during subsequent



discussions that developing meaningful KPI targets, and ensuring those targets are continuously updated to accurately reflect operations, would be difficult given the limited amount of paratransit resources available.

However, management noted that they have plans to create a working group to provide inputs into services and the overall delivery model. Depending on the work of this group, other key performance indicators may be produced which potentially could be used to better understand and measure paratransit performance.

**Action By:** Manager, Accessible Transit Services

**Action Date:** N/A

**Information Only:** General Manager, Metrobus

## **Issue 2.2 – Additional Key Performance Measures**

Research conducted by the OCIA noted that there are various KPI's that are considered industry best practice for the paratransit industry. These include measures that evaluate metrics such as productivity, costs, complaints, and safety.

As noted in Issue 2.1, several KPIs are tracked and reported by Metrobus on the monthly GoBus report and monthly financial statements. Management also indicated additional performance standards are expected to be tracked under the new contract. These include metrics such as on-time performance, missed trips, the number of complaints, the number of safety related incidents, and hold times when booking trips via telephone.

However, discussions with management and a review of recent monthly GoBus reports and monthly financial statements identified an opportunity to implement additional performance measures. These are discussed in detail below.

### **Operating Cost per Passenger Trip**

$$\text{operating cost per passenger trip} = \frac{\text{total operating cost}}{\text{total passenger trips}}$$

Best practice guidance states that operating cost per passenger trip is a critical cost-effectiveness measure when assessing paratransit performance. Operating costs are defined as the day-to-day operating costs of a transit agency such as salaries, fuel, utilities, administration, and depreciation. Furthermore, by measuring operating costs against total passenger trips, the productivity of the system is also factored into the calculation of this KPI.

Metrobus pays the contractor \$29.48 per trip in 2022. However, this does not include operating costs such as applicable salaries, Via software costs, administrative costs, and depreciation expense for the paratransit buses. Additionally, given that Metrobus will provide fuel to the contractor under the new contract, fueling costs will have to be considered which will increase the operating cost per trip in 2023 if other variables remain constant. Consequently, without this KPI, there is a risk that decision makers may not know the true cost to provide a single paratransit trip and ultimately if passengers are being transported in a cost-effective manner.

### **Complaints per 1,000 Passenger Trips**

$$\text{complaints per 1,000 passenger trips} = \frac{\text{total valid complaints}}{\text{total passenger trips}} \times 1,000$$

It is an industry standard for paratransit authorities to measure and report their rate of complaints by comparing the number of complaints received to the amount of service provided. A common metric used within the paratransit industry is total service complaints per 1,000 passenger trips. Complaints are defined as an expression of dissatisfaction by a passenger over some aspect of the paratransit service. Transit authorities generally monitor complaints related to service and those over which they (or the contractor) have control over.

Per the current contract, the service provider is required to document all service-related complaints received from riders and make complaint reports available to Metrobus for incentive and disincentive purposes. The new contract further formalizes the complaint process, as it requires the contractor to investigate each complaint thoroughly and provide follow up with the complainant as required. The contractor is also required to summarize these complaints in a log and submit it to Metrobus monthly.

The above complaint process was discussed with Metrobus management. It was determined that Metrobus does not monitor the quantity of complaints or measure them against the amount of service provided. As such, there is a risk that Metrobus is gathering insufficient information regarding complaints and missing an opportunity to improve services.

### **Safety Incidents per 100,000 Vehicle KM**

$$\text{safety incidents per 100,000 vehicle KM} = \frac{[(\text{major} + \text{non-major safety incidents}) \div (\text{total vehicle KM}) \times 100,000]}{1}$$

It is an accepted practice for transit authorities to include the safety incident rate as a performance measure given its critical role within a paratransit system. As a performance measure, safety incidents per 100,000 vehicle KM provides decision makers with information regarding the overall safety of the paratransit service.

Furthermore, by incorporating the KM travelled by the system, it puts the number of safety incidents into perspective and provides decision makers with a better understanding of the frequency of incidents.

Discussions with management noted that the service provider is expected to notify Metrobus immediately of potential safety issues and safety related incidents. Metrobus may also become aware of safety related issues through the complaint process and related reports that are stipulated under the current contract. Additionally, the new contract has a provision that requires the contractor to report all safety related incidents promptly to Metrobus.

However, subsequent discussions with management noted that safety related complaints and incidents are not internally tracked by Metrobus. As such, there is an opportunity for Metrobus to implement a paratransit safety incident performance measure to minimize safety risks and improve performance.

## **Recommendation 2.2**

To better measure contractor performance and provide meaningful standardized data to assess results, management should:

- i. implement additional performance measures for the GoBus service including operating cost per passenger trip, complaints per 1,000 passenger trips, and safety incidents per 100,000 vehicle KM.
- ii. include the results of the performance indicators and associated targets, along with the other key performance indicators that are currently being tracked, on the monthly GoBus report.

**Management Response and Intended Course of Action 2.2**

We are now reporting operating cost per passenger trip. We will ask TOK Transit to provide us information monthly on complaints and safety incidents so these can be included on the monthly financial report.

**Conclusion 2.2**

The recommendations will be implemented as stated above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** June 2023

**Information Only:** Manager, Accessible Transit Services

**Issue 2.3 – Surveys and Feedback**

Best practice research indicates that customer satisfaction surveys are a proven methodology to help determine how well transit agencies are meeting the needs and preferences of its customers. This information is important as rider satisfaction is one of the most important performance metrics that transit authorities should continuously measure per industry guidance.

Discussions with management were held to determine if Metrobus utilizes customer satisfaction surveys or direct feedback processes to help gauge customer satisfaction. Management noted that a survey was completed in 2021 to gather feedback regarding the acquisition of new paratransit buses, however, this survey was specific to the quality and design of buses.

The Via mobile phone application also allows riders to leave a star rating or a brief comment subsequent to their ride. Although this mechanism can provide high level

feedback to Metrobus, it does not replace the benefits of completing a comprehensive customer satisfaction survey.

Management indicated that the last general satisfaction survey for the GoBus service was completed in 2015 when GoBus was operated by the City. While program specific outreach has been undertaken in the years since, management noted customer satisfaction surveys have not been part of this outreach. As such, there is a risk that Metrobus is not gathering sufficient feedback to evaluate customer satisfaction and make improvements.

### **Recommendation 2.3**

To improve service quality, Metrobus should:

- i. implement proactive processes, such as annual customer satisfaction surveys or direct contact with riders, to gather feedback from GoBus riders and use this information to improve services.
- ii. share the results of the surveys with the members of the St. John's Transportation Commission for use in the Commission's strategic planning monitoring and evaluation process.

### **Management Response and Intended Course of Action 2.3**

We will discuss the addition of a bi-annual online survey of GoBus clients with registered emails on file to gather feedback.

There are numerous avenues that already exist in which feedback is received on a regular basis. Groups such as COD NL, Empower NL, CNIB all work together with clients of GoBus and if there were areas of concern, we would be notified of these issues from the groups.

Further, the Inclusion Advisory Committee and Paratransit Working Group gather at regular intervals and have clients as members who would provide feedback to management.

**Conclusion 2.3**

The recommendations are under consideration as management indicated they will discuss the potential implementation of a bi-annual survey to gather feedback from GoBus clients. Depending on the outcome of these discussions, the recommendations may be implemented. The status of these recommendations and associated implementation will be assessed during audit follow-up work.

**Action By:** Manager, Accessible Transit Services

**Action Date:** June 2023

**Information Only:** Manager, Accessible Transit Services

**Issue 2.4 – No-Show and Late Cancel Policy**

Per the GoBus Manual, a no-show trip includes any trip that is cancelled late or any trip in which the vehicle arrives within the pickup window, but the customer does not board. No-show trips are currently paid to the service provider at \$12 per no-show and is expected to increase to 50% of the per trip rate under the new contract.

Industry guidance reviewed by the OCIA to help plan the audit notes that no-shows have numerous negative impacts on paratransit performance. Foremost, when a rider does not show up for a scheduled trip or late cancels, the paratransit system has wasted a passenger trip. Excessive no-shows may also have an impact on on-time performance to the extent operators wait or attempt to locate a no-show.

Similarly, this negatively affects the transit experience of other riders who may already be onboard.

Considering the above, it is an accepted practice for transit authorities to track no-show data and have a policy in place to deter no-shows. Research indicates that generally enforcing a no-show policy improves productivity and results in financial savings. However, any application of no-show policies should be equitably applied, and suspension policies should not be based solely on a set number of no-shows per month. Rather, the frequency of an individual's rides and the frequency of no-shows should also be considered to determine if a pattern of no-show behavior is actually occurring.

A review of the monthly financial statements during the audit disclosed that no-show data is consistently reported on the monthly statements. However, discussions with management noted that there is no established goal in relation to the number or percentage of no-shows. Without related goals, the no-show data may not be meaningful as the data cannot be benchmarked.

Furthermore, Metrobus has a no-show policy in place for its GoBus service. Per policy, no-shows are monitored regularly by the ATS Manager and no-show occurrences are internally tracked. A no-show occurrence is defined as more than 4 no-shows per month. The severity of the associated penalties on the rider due to no-shows gradually increases until a 7<sup>th</sup> occurrence results in the termination of GoBus eligibility.

A detailed review of the no-show policy disclosed that after the first occurrence is recorded, subsequent occurrences are only counted if they happen within a month of the previous occurrence. As such, a rider could potentially have occurrences every second month and escape progressive discipline. This differs from other municipal no-show policies reviewed by the OCIA during the audit which operate on an annual basis. Furthermore, accurately enforcing the current no-show policy



may be overly time consuming given that the date of the preceding occurrence must first be analyzed before potentially recording a new occurrence for a rider.

The ATS Manager also noted during discussions that the policy is not consistently applied. Given this, and the extensive analysis required to accurately administer the current no-show policy, implementing a simpler policy may be of benefit. For example, generating a monthly no-show report in Via and following up with riders over a certain number of no-shows, while taking into account the riders frequency of ridership, may be easier to administer.

#### **Recommendation 2.4**

To ensure the GoBus no-show and late cancelation policy is effective and aligned with best practice, management should:

- i. develop an internal target or goal for the no-show/late cancel rate and track results on an on-going basis.
- ii. review the current policy and evaluate whether it can easily be administered by management or if a change in policy is required.
- iii. make certain the chosen policy is equitable and incorporates the rate of no-shows for a passenger rather than only the number of no-shows.
- iv. educate riders on the no-show policy and any changes made thereto.
- v. update the GoBus handbook to reflect any changes to the no-show/late cancel policy.

**Management Response and Intended Course of Action 2.4**

We recognize the need to update the policy as it is difficult to administer as it currently stands. We will work towards the goal of updating the policy and then consider the subsequent recommendations.

**Conclusion 2.4**

The recommendations are under consideration as management indicated they will work towards developing a new policy which may potentially incorporate the other associated recommendations. The status of these recommendations and associated implementation will be assessed during audit follow-up work.

**Action By:** Manager, Accessible Transit Services

**Action Date:** September 2023

**Information Only:** General Manager, Metrobus

**Issue 2.5 – Via Mobile Phone Application**

Registered GoBus users have the option to book rides by telephone, text, email, online, or through the Via mobile phone application. However, discussions with management disclosed that Metrobus encourages the use of the mobile phone application, when possible, to book rides as it allows customers to bypass telephone wait times. Furthermore, the Via mobile phone application is available 24/7 and offers users the option to provide feedback regarding the quality of their ride.

An Advanced Pre-Booking Report can be generated from the Via system which breaks down how users booked their rides. The OCIA reviewed this report for June 2022 and noted the following breakdown:

- Phone Agent – 14,545 or 69 percent
- Mobile Application – 5,493 or 26 percent
- Web Application – 1,056 or 5 percent

An analysis of source documentation noted that the above metrics were previously tracked by Metrobus when the Via system was introduced. However, these metrics have not been formally tracked in recent months given turnover in the ATS Manager position. As such, there is an opportunity for Metrobus to resume tracking this information as part of performance measurement. The information can be used to monitor uptake of the mobile application and determine if additional marketing and awareness is necessary to further encourage utilization of the application.

While uptake of the mobile application should be encouraged given its benefits, it is important to note that some riders, given their disability, may be unable to navigate the mobile application. Similarly, some users may not have access to a mobile phone or internet connection. Therefore, other booking options will always have to be available to ensure accessibility to trip bookings.

### **Recommendation 2.5**

To ensure continued uptake of the Via mobile phone application, Metrobus should continue to:

- i. generate reports from Via breaking down how trips are booked on a monthly basis.
- ii. review and track this information on a monthly basis and include it on the monthly GoBus report.
- iii. consider further strategies that can be implemented to further increase uptake of the application, if required.

**Management Response and Intended Course of Action 2.5**

We will add this metric to the monthly GoBus report. For part (iii), we will work with TOK Transit to promote the app as it is in their best interest to have clients move to it. We will ask they promote it through their dispatchers and provide additional promotional material onboard buses.

**Conclusion 2.5**

The recommendations will be implemented as stated above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** March 2023

**Information Only:** General Manager, Metrobus

### ***Section 3 – Contract Specific Issues***

#### **Issue 3.1 – Incentives and Disincentives**

Research shows that it is a common practice within the paratransit industry to use incentives and disincentives to influence contractor behavior. In order for these incentives and disincentives to be effective, the consequences of compliance/non-compliance must be significant enough to change contractor behavior.

The incentives and disincentives included in the current contract and new contract were reviewed during the audit. Under the current contract, Metrobus charges a \$20 penalty when the contractor misses a scheduled trip. Other penalties, such as the disincentive related to service reliability, are capped at \$1,500 per quarter. Likewise, in the new contract, the contractor is penalized the cost of the ride (2022 cost per ride is \$29.48) for a missed trip. Other penalties, such as those related to long telephone hold times and door-to-door service quality issues, are charged at \$200 per month until the contractor remedies the issue.

To help determine the significance of the above noted disincentives and provide context to the dollar amounts, recent monthly invoices levied by the contractor for paratransit services were reviewed during the audit. It was noted that the June 2022 invoice from the contractor to Metrobus exceeded \$340,000. As such, the dollar amounts of the penalties outlined in the contract, when compared against the amount billed monthly by the contractor, may not be significant enough to effectively influence contractor behavior.

Given that historically Metrobus has not enforced the incentive and disincentive provisions of the contract, it is difficult to objectively determine if the contracted incentives and disincentives are appropriate and actually influencing contractor behavior. However, the implementation of the contract management plan, as outlined in Section 1 of this report, will allow for the performance measures and associated incentives and penalties to be monitored and administered by

Metrobus. This will also allow metrobus to assess the utility of the incentives and penalties and determine if they are appropriately influencing the contractor to meet the agreed upon performance standards.

**Recommendation 3.1**

Metrobus should assess, through the execution of the contract management plan, how well the contractor is meeting the customer service and performance standards and customer service/etiquette standards outlined in the new contract. Based on this work, Metrobus should:

- i. determine if the associated incentives and penalties are influencing contractor behavior as desired.
- ii. assess if the dollar amounts of the incentives and penalties should be adjusted or if new incentives and penalties should be introduced through contract amendments to further influence contractor behavior.
- iii. update the contract management plan to reflect any changes to incentives and penalties.

**Management Response and Intended Course of Action 3.1**

Please see our response to Issue 1.1 regarding the contract management plan. The implementation of these recommendations will be dependent on the development of such a plan.

**Conclusion 3.1**

The recommendations are under consideration as management indicated they will be dependent on the implementation of the contract management plan as noted in Issue 1.1. The status of these recommendations and associated implementation will be assessed during audit follow-up work.

**Action By:** Manager, Accessible Transit Services

**Action Date:** March 2023

**Information Only:** General Manager, Metrobus

## **Issue 3.2 – Complaint Process and Procedure**

### **Complaint Process**

Research conducted by the OCIA indicates that it is best practice to have the customer service function in-house with the transit authority rather than outsourced with the service provider. This is due to the inherent conflict of interest a service provider has regarding notifying the transit authority of service-related complaints. For example, a contractor may be deterred from reporting complaints received about their own service to the transit authority as it would reflect poorly on the contractor's performance. Conflict of interest concerns are heightened when financial incentives and disincentives are in place regarding the number of complaints received. In such cases, the contractor has an increased bias to underreport complaints to maximize profit.

Discussions with management and a review of the current and new contracts disclosed that the service provider is responsible for receiving and investigating customer complaints associated with the daily delivery of paratransit services. The contract requires that all complaints are reported to Metrobus, either immediately as in the case of safety related complaints or as part of a monthly reporting process. Furthermore, Metrobus can assign financial penalties of up to \$200 related to reported dispatch and driver complaints. Given these penalties, the contractor is incentivized to underreport complaints, which increases the risk that Metrobus may be unaware of issues with the GoBus service.

**Procedure**

It is best practice to document critical processes, such as the complaint intake and resolution process, in procedure to ensure they are performed accurately and completely by staff.

Discussions with management indicated that there is no internal procedure detailing the complaint process. Consequently, regardless of whether the complaint process is brought in-house or remains with the contractor, the risk of process errors is increased if procedure is not in place.

**Recommendation 3.2**

- i. To ensure Metrobus has complete information regarding GoBus complaints and to eliminate the contractor's conflict of interest, management should consider bringing the complaint process in-house whereby all complaints are directed to Metrobus. In making this decision, management should consider the risks associated with the current complaint reporting process, the costs associated with moving the complaint process in-house, and the risk tolerance of the St. John's Transportation Commission regarding this issue.
- ii. To ensure consistency of operations and provide guidance on how complaints are managed, management should develop procedure to standardize the complaint process.

If the complaint process is brought in-house, the procedure should outline:

- who is responsible for receiving and investigating complaints.
- initial steps to follow after receiving a complaint (e.g., response to complainant indicating the complaint has been received).
- general guidance on how complaints are investigated.
- expected timelines for investigating complaints.



- who else at Metrobus needs to be notified of complaints and when to escalate the complaint.
- how the results of investigations are communicated to the complainant
- how complaints are tracked and inventoried.
- how overall complaints are measured (e.g., total service complaints per 1,000 passenger trips).

Alternatively, if the complaint process remains with the contractor, the procedure should outline:

- who receives the monthly complaint summary reports from the contractor and what information is contained in the reports.
- timelines for reviewing the reports.
- what analysis is performed on the complaints (e.g., have complaints been resolved, are there recurring complaints).
- how complaints are tracked and inventoried.
- how overall complaints are measured (e.g., total service complaints per 1,000 passenger trips).

### **Management Response and Intended Course of Action 3.2**

We pay a contractor to operate the service and as such we feel that the contractor is best suited to handle complaints regarding the operation of the service. The number of complaints will start being reported by Metrobus and if we see a concerning trend in the numbers we will investigate. Further, if a client is unhappy with the contractor's response to a complaint, we will hear about it as clients do reach out to the ATS Manager.

We will also ask the contractor to provide their current complaint procedures and tracking process. If it isn't adequate or doesn't track the information we require,

we'll request changes to meet our requirements. The ATS manager will oversee this.

**Conclusion 3.2**

Regarding part (i), the recommendation will not be implemented. Management concluded that the contractor is best suited to handle complaints regarding the service and as such the complaint process will remain with the contractor.

For part (ii), the recommendation will not be implemented. Although management indicated they will request a copy of the contractor's procedure and make certain it tracks the required complaint information, this procedure will not outline how Metrobus manages the information internally when it is received. Subsequent discussions with management noted that while they agree having comprehensive procedure in place for the complaint process would be ideal, they must be strategic in determining and prioritizing what work is undertaken given the limited paratransit resources available.

**Action By:** Manager, Accessible Transit Services

**Action Date:** N/A

**Information Only:** General Manager, Metrobus

**Issue 3.3 – Vehicle Inspections**

The Newfoundland and Labrador's Official Inspection Station Regulations ("Regulations") requires certain vehicles undergo periodic vehicle inspections in order to be registered and permitted to operate in the province. Schedule B of the Regulations states that "disabled passenger vehicles" must be inspected each

---

March and September from the age of 6 months. This is the same inspection frequency as standard buses.

The current contract states that the contractor must abide by all applicable federal, provincial, and municipal legislation and that it is the contractor's responsibility to acquire all relevant licenses necessary to conduct daily operations. The contract also allows for Metrobus to request vehicle inspection reports from the contractor for review at any time.

Discussions with management indicated that vehicle inspection reports have not historically been requested by Metrobus. Rather, management noted that the contractor is expected to abide by the terms of the contract and have the required vehicle inspections completed. This approach increases the risk of the GoBus fleet having incomplete vehicle inspections as management cannot verify that inspections have occurred if source documentation is not obtained from the contractor.

In addition to possible non-compliance with the Regulations, incomplete vehicle inspections can potentially have a detrimental effect on passenger safety. Such a situation recently occurred in the municipality of Hamilton, Ontario, in relation to its contracted paratransit service. In this instance, the City of Hamilton had to pull a third of their accessible transit fleet off the road as vehicles were deemed unsafe for passengers. Changes were subsequently made to the inspection process to ensure vehicle inspections were occurring every 6 months. Consequently, a similar process should be in place to verify that all GoBus buses undergo complete vehicle inspections to minimize compliance and safety risks.

**Recommendation 3.3**

To further ensure customer safety, management should:

- i. obtain copies of each vehicle inspection report from the contractor every March and September to validate that vehicle inspections have been completed pursuant to Newfoundland and Labrador's Official Inspection Station Regulations.
- ii. review the inspection reports to ensure each paratransit bus has passed its inspection.
- iii. immediately follow-up with the contractor regarding instances of failed inspections, if applicable.

**Management Response and Intended Course of Action 3.3**

We will ensure TOK Transit provides the inspection reports when completed and they will be promptly reviewed and actioned if necessary

**Conclusion 3.3**

The recommendations will be implemented as noted above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** March 2023

**Information Only:** General Manager, Metrobus

## ***Section 4 – Paratransit Service Billings***

### **Issue 4.1 – Billing Process**

#### **Overview of Billing Process**

Payments to the contractor for paratransit services are made monthly by Metrobus. Under the current contract, the ATS Manager works closely with the General Manager at MVT to ensure the billings are accurate and complete. Vehicle rides are captured in the Via system and ridership reports are generated from Via to compile the monthly bill. Both Metrobus and the contractor have access to the Via system.

Documented internal procedure is in place at Metrobus to provide guidance to the ATS Manager in compiling monthly ridership totals. The process involves generating ridership reports from the Via system and exporting the reports to Microsoft Excel. The data is then manipulated, per the procedure, to determine the number of billable rides that occurred that month.

The General Manager at MVT undertakes a similar process to compile trip information for the month. Total trips are compiled from Via and a total billable number of trips is established. The ATS Manager and MVT General Manager then compare billable numbers and agree on the final number of trips that should be billed for the month. Once numbers have been agreed upon, the contractor will send the bill to Metrobus for payment. The ATS Manager will review the bill for accuracy and provide it to Metrobus Finance for payment.

#### **Potential Risks**

Management review is a best practice internal control where a manager, or designated employee, reviews the work of another staff member prior to approval to ensure the work is free from errors. Generally, management review is part of key business processes such as accounts payable. Although management review

is generally a detective control, it can have a preventive effect as well. For example, a process owner may be less likely to perpetrate a fraud knowing that the supporting work and documentation will be subject to management review.

Discussions with management noted that although the monthly bill is provided to Metrobus's Finance Division for payment, no one from the Finance Division reviews the bill in detail. Rather, detailed review and approval is the responsibility of the ATS Manager. Given that this individual is the only person verifying the billed numbers for Metrobus, there is an opportunity for additional controls, such as management review, to be implemented to help reduce self-review threats and potential fraud risks such as a kickback scheme<sup>1</sup>.

#### **Recommendation 4.1**

To ensure accuracy of paratransit service billings and mitigate the risk of fraudulent charges, a second Metrobus management employee should review the monthly paratransit service invoice and supporting documentation. This review could involve:

- independently generating the funding source report from Via and ensuring that the numbers in that report were used when calculating the monthly ridership totals.
- ensuring ridership totals match those reflected on the invoice and recalculating invoice totals.
- ensuring the overall billed amount is reasonable.
- following up on discrepancies with the Manager, Accessible Transit.
- providing evidence that the review was performed (e.g., physical sign-offs).

---

<sup>1</sup> An invoice kickback scheme is a form of corruption where an employee and vendor agree to inflate an invoice and the employee helps to ensure payment is made. The employee would then receive a payment, or "kickback", from the vendor for providing the assistance.

**Management Response and Intended Course of Action 4.1**

The VIA software and read only access will be provided to the Finance Manager. The Finance Manager will independently verify the numbers from the monthly billing after the initial review by the ATS Manager. Any discrepancies will be investigated. Both the ATS Manager and Finance Manager will sign off on the invoices.

**Conclusion 4.1**

The recommendation will be implemented as stated above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** March 2023

**Information Only:** General Manager, Metrobus

**Issue 4.2 – Training**

To ensure staff can complete their assigned duties effectively and efficiently, employees should be appropriately trained on applicable job duties and processes. The need for adequate training is increased when job duties are complex and hence susceptible to errors.

As part of the billing and verification process, monthly ridership information is exported from Via to Microsoft Excel. The ATS Manager must manipulate the information in Microsoft Excel to compile and verify the number of billable rides for the month. This process involves numerous excel functions such as filtering, sorting, adding columns, flash filling, breaking apart cells, entering formulas, and copying formulas.

The above processes were discussed with management, and it was determined that the ATS Manager does not have extensive experience using Microsoft Excel. As such, there is an opportunity to provide applicable Microsoft Excel training to the ATS Manager. This would allow the individual to complete the billing process more efficiently and effectively and reduce the risk of errors and other inefficiencies.

**Recommendation 4.2**

To further increase the efficiency and accuracy of the paratransit billing process, Microsoft Excel training should be provided to the ATS Manager.

**Management Response and Intended Course of Action 4.2**

We are confident the internal knowledge exists to properly train the ATS Manager in the operation of Excel needed for the position. The Finance Manager, who holds a wealth of Excel knowledge, has agreed to meet regularly with the ATS Manager to provide training in aspects of Excel.

**Conclusion 4.2**

The recommendation will be implemented as stated above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** March 2023

**Information Only:** General Manager, Metrobus



## ***Section 5 – Eligibility Transit Assessments***

### **Issue 5.1 – Transit Assessment Billings**

#### **Overview of Process**

Since 2019, all prospective GoBus users must undergo a transit assessment to be deemed eligible to use the GoBus Service. Applicants send the standardized application to the ATS Manager, who reviews the application for completeness. If complete, the application is electronically sent via secure file transfer protocol to the third-party service provider responsible for performing the transit assessments. The ATS Manager also maintains an internal spreadsheet documenting all applications that are sent to the service provider. The service provider then uses the contact information on the application to contact the applicant and arrange a transit assessment. Once the assessment is complete, the service provider sends the assessment results back to the ATS Manager through the secure file transfer protocol system. The ATS Manager subsequently prepares a letter to be sent to the applicant notifying them of the eligibility results.

#### **Billing**

The service provider bills Metrobus monthly for assessments that have been completed during the month. Per the contract, the service provider can also bill for an assessment if an applicant no-showed the appointment or cancelled late. The invoices are sent to the ATS Manager along with supporting documentation including the date the assessment was performed and the name of the applicant who underwent the assessment. Similar information regarding no-shows and late cancellations is also provided.

When a monthly bill is received, the ATS Manager reconciles the invoiced amount to the amount on the supporting documentation to ensure accuracy. Furthermore, the ATS Manager compares names in the supporting billing documentation to the names on the internal spreadsheet to ensure all applicants that are being billed for

are valid. If there are no issues, the bill is then sent to the Finance Division for payment.

**Potential Risks**

As previously noted under issue 4.1, management review is a best practice where a manager reviews the work of a subordinate to ensure the work is accurate, complete, and valid. This is a general internal control that can be applicable to several different business practices. Likewise, validation is a process to help ensure that information provided by third parties, such as information regarding services rendered, is legitimate and that those services actually occurred. Validation, which is a standard fraud prevention internal control, generally involves direct follow-up with the individual who received the service for confirmation purposes.

National transit agencies, such as the US Federal Transit Authority, have also issued specific guidance regarding the paratransit eligibility assessment process. This guidance notes that gathering feedback from those who underwent eligibility assessments, such as how they felt about the physical assessment and their overall satisfaction with the process, provides valuable information for potential process improvement.

Discussions with management noted that the Finance Division does not perform a detailed review of the monthly transit assessment bill. Rather, the ATS Manager is responsible for ensuring the bill is accurate and valid. In addition, the ATS Manager also performs the duties of authorizing who can undergo an assessment, recording who underwent an assessment, and performing the associated reconciliations for the invoices. Similar to the paratransit billing process, having a single person perform the aforementioned duties increases self-review risks and fraud risks such as a kickback scheme.

Audit work also identified other risks related to the transit assessment billings. As per the contract, the service provider can bill for no-shows and late cancellations. Given that such instances are not validated by Metrobus, there is a risk that a phantom billing scheme<sup>2</sup> may be used by the service provider to inflate billings.

Discussions with management also noted that there is no formalized process to gather feedback from applicants who underwent an eligibility assessment. Consequently, there is a risk that management is missing an opportunity to potentially improve the process.

The above noted risks could be decreased through management review and directly following up with applicants who underwent an eligibility assessment. Foremost, having another management level employee review the invoice and supporting documentation would help ensure the invoice is accurate. Although the risk of inaccurate billings is low given that the ATS Manager is reviewing the billings, a second reviewer is required to mitigate self-review issues and better segregate duties. This would also have a deterrence effect on potential fraudulent charges.

Furthermore, implementing a follow-up process for the eligibility process, such as phoning applicants after the assessment to gauge their satisfaction, would have multiple benefits. Foremost, the feedback could be analyzed and shared with the service provider to improve the process. Secondly, contacting the applicant would also validate that the person attended the assessment which would help detect any potential fraudulent charges.

Similarly, applicants who no-showed an appointment could be contacted to determine if the no-show was related to a potential issue with the assessment

---

<sup>2</sup> A phantom billing scheme involves a company submitting invoices for the payment of services or procedures that were never performed.

process (e.g., the applicant felt uncomfortable about the process, inadequate information was provided to the applicant, etc.). This data could be used to understand the reason for no-shows and potentially make changes to the process to reduce the level of no-shows. Additionally, this would help detect a fraudulent no-show related to kickback or phantom billing schemes.

### **Recommendation 5.1**

To improve the eligibility assessment process and detect potential inaccurate and fraudulent billings, Metrobus should:

- i. have a second Metrobus management employee review the monthly transit eligibility assessment invoice and supporting documentation to ensure accuracy and reasonableness.
- ii. develop and implement a process where a designated employee, independent of the Manager, Accessible Transit, periodically phones a sample of applicants who underwent and/or no-showed an assessment to gather feedback. As part of this process, management should:
  - a. determine the number of applicants to phone and the frequency of the phone calls (e.g., monthly follow-up with two applicants who underwent an assessment and two applicants who no-showed).
  - b. develop a standardized call script/internal form to guide the designated employee in gathering feedback from applicants who underwent an assessment or no-showed. The call script should be developed with the goal of gathering input regarding the applicants overall satisfaction regarding the assessment and areas of improvement or why the person no-showed the appointment.

- c. use the feedback to improve the eligibility assessment process and reduce no-shows.
- d. document the above process in procedure, including who the designated employee should alert if instances of fraudulent assessments are suspected.

### **Management Response and Intended Course of Action 5.1**

- i. We suggest the Administrative Assistant, who was previously engaged in the ATS Manager role, be a second reviewer of the assessment invoices.
- ii. Regarding part (ii):
  - a. We have access now to this assessment information and have been reviewing it regularly.
  - b. We will develop a form to send with the welcome package after the assessment process is complete to gather feedback.
  - c. Yes, this will be used for this purpose.
  - d. We will do so.

### **Conclusion 5.1**

Part (i) of the recommendation will be implemented as stated above.

For part (ii)(a) and (ii)(b), management indicated they will send a form to individuals to gather feedback regarding their assessment experience rather than phoning them directly. Depending on how this alternate process is developed and implemented, and which staff is involved, it may achieve the same goal. Management also noted during subsequent discussions that although they agree with the recommendations as originally put forth, they may not have the resources to implement them exactly as recommended and hence the need for the alternate

approach. The status of these recommendations and associated implementation will be assessed during audit follow-up work.

Regarding parts ii(c) and ii(d), the recommendations will be implemented as stated above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** July 2023

**Information Only:** General Manager, Metrobus

### **Issue 5.2 – Initial Contact**

Industry guidance, as issued by various transit authorities and reviewed by the OCIA during the planning stages of the audit, noted it is a good practice for agencies to contact applicants via phone upon receiving an application to use the paratransit service. Telephone contact provides a valuable opportunity for a conversation between the transit system staff person and the applicant to discuss the purpose of the paratransit system, and who it is intended to serve. Research shows, based on industry averages, that about 20 to 30 percent of applicants who submit an application to use paratransit services will either cancel or no-show assessment appointments and elect not to continue with the process. Additional research reviewed by the OCIA indicates that many applicants select out of the process based on information they are eventually provided about the accessibility of fixed-route services.

Conversations with management noted that the ATS manager generally does not contact applicants upon receipt of an application unless further information is required. Instead, the ATS manager reviews received applications for

completeness and to ensure that all pertinent details, such as contact information, is provided. The ATS manager then provides the completed forms to the third-party service provider to schedule the transit assessment with the applicant.

There is an opportunity to improve the above noted process by having the ATS Manager directly contact the applicant prior to sending the application to the third-party. This will allow management to discuss the purpose of the paratransit system with the applicant and provide information regarding the accessibility of the Metrobus service (e.g., accessible low floor buses, etc.). Furthermore, information regarding the service provider, related scheduling, and the importance of attending scheduled appointments and avoiding no-shows could also be discussed. Finally, this process may improve customer service relations as it would allow Metrobus the opportunity to make a positive first impression with the applicant rather than relying on the service provider to initiate first contact.

## **Recommendation 5.2**

To align with best practice and enhance customer service, management should consider having the Manager, Accessible Transit phone applicants upon receipt of the GoBus Accessible Transit Application. Discussion points could include the following:

- an overview of the GoBus service including the purpose of the service.
- an overview of Metrobus's Accessible Service, including available travel training programs.
- next steps regarding the application including contact through the assessment service provider.
- that the cost of the assessment is covered by Metrobus.
- the importance of cancelling assessments within the allotted cancelation period.
- expected timelines for eligibility decisions once an assessment has been completed.
- how eligibility results will be communicated (e.g., a mailed letter).

**Management Response and Intended Course of Action 5.2**

We will begin sending an email to new applicants covering bullet points 3 to 7 above. Bullets 1 and 2 will not be covered at this stage because they may or may not be deemed approved for the service.

**Conclusion 5.2**

The recommendation will be partially implemented. Management indicated they will send an email to new applicants with pertinent information rather than phoning them when applications are received. However, the initial email will not include bullets 1 and 2 and hence information regarding the accessibility of conventional transit will not be provided upfront. Such information is important as it may have an impact on whether the applicant wants to proceed with the transit assessment.

**Action By:** Manager, Accessible Transit Services

**Action Date:** March 2023

**Information Only:** General Manager, Metrobus

**Issue 5.3 – Procedure**

It is best practice to document critical processes, such as the eligibility assessment process, in procedure to ensure related processes are performed accurately and completely by staff.

Discussions with management indicated that there is no internal procedure detailing the transit assessment process and outlining associated roles and responsibilities. Consequently, the risk of process errors is increased due to the absence of procedure.



**Recommendation 5.3**

To ensure consistency of operations and provide guidance to the employees, management should document the eligibility assessment process in internal procedure. The procedure, at a minimum, should address the following areas:

- who receives eligibility forms at Metrobus.
- what level of initial review (i.e., completeness) is performed on the forms.
- if any initial contact is required after receiving the application form.
- a description of how GoBus Accessible Transit Applications are internally tracked by Metrobus.
- a description of roles and responsibilities of Metrobus and the external service provider related to administrative procedures (i.e., who is responsible for following up on no-shows, when is Metrobus notified about no-shows).
- how applications are sent to the external service provider and how they are returned.
- the process of drafting and mailing assessment letters to applicants notifying them of the result of the assessment (e.g., unconditional approval, conditional approval, denial, etc.).
- billing and review procedures, including required source documentation and related roles and responsibilities of those involved.
- customer satisfaction procedures (e.g., follow-up phone calls), if applicable.

**Management Response and Intended Course of Action 5.3**

We will develop a procedure document in this area.

**Conclusion 5.3**

The recommendation will be implemented as stated above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** June 2023

**Information Only:** General Manager, Metrobus

## ***Section 6 – Protection of Personal Health Information***

### **Issue 6.1 - Procedure**

The Access to Information and Protection of Privacy Act, 2015 (“ATIPPA”), requires a public body, such as Metrobus, to take reasonable steps in the circumstances to ensure that records containing personal information in its custody are protected against unauthorized access, use, or disclosure and are appropriately retained, transferred, and disposed of in a secure manner. Given the reputational and potential operational risks that are associated with privacy breaches, it is best practice to have procedure in place to provide guidance to staff in relation to their privacy obligations.

The protection of personal information was discussed with management, and it was noted that various controls, such as physical controls and technological controls, are in place to help secure this information. However, the control environment can be strengthened by developing and implementing procedure detailing how personal information, such as medical information, is collected, stored, copied, modified, used, and disposed of. Doing so will align with best practice and decrease the risk of a privacy breach.

### **Recommendation 6.1**

To protect against unauthorized access, management should develop procedure outlining how the personal health information received from GoBus applicants is managed. The procedure should include:

- how the information is collected, stored, transferred, copied, disclosed, modified, and used and related physical security measures.
- record retention periods and how the information is disposed of.
- defined roles and responsibilities for those involved in managing the information.

**Management Response and Intended Course of Action 6.1****Metrobus Management Response**

We will develop a procedure document in this area.

**City of St. John's Access and Privacy Analyst Response**

We support the above noted recommendation as it is necessary for the protection of privacy and are prepared to assist with the implementation of the same.

**Conclusion 6.1**

The recommendation will be implemented as stated above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** June 2023

**Information Only:** General Manager, Metrobus  
City Clerk  
Access and Privacy Analyst

**Issue 6.2 – Electronic Surveillance****On-board Cameras**

The Office of the Privacy Commissioner of Newfoundland and Labrador notes that recording a person's image is a collection of personal information as defined by ATIPPA, 2015. Prior to undertaking the installation of a CCTV surveillance system, public bodies should consider the privacy implications of such action.

It was noted during discussions with management and an inspection of the GoBus Manual that GoBus accessible buses are equipped with an onboard camera system that is recording video and audio while the bus is in operation. Per the GoBus Manual, cameras

are installed to help increase safety and security for GoBus customers and drivers, as well as the general public.

Further discussions with management noted that the camera system hardware, software, and video recordings are property of Metrobus. However, the associated software, which enables the footage to be viewed, is installed at the MVT office in St. John's. Management further indicated that Metrobus does not have direct access to the camera footage on the buses. If Metrobus requires camera footage, management indicated it would have to be requested from MVT.

The OCIA consulted with the City's Access and Privacy Analyst regarding the setup of the onboard cameras and associated software. The Privacy Analyst noted that the current setup of the cameras, where the software and hardware is owned by Metrobus, but the software is installed at the contractors office, could have privacy implications. Consequently, the Access and Privacy Analyst recommended completing a Privacy Impact Assessment regarding the onboard cameras in consultation with her office.

### **Review of Video Recordings**

Research shows that onboard video monitoring systems provide numerous benefits to transit authorities including increased safety for both the drivers and passengers. Furthermore, video surveillance provides an opportunity to evaluate paratransit service performance and detect potential onboard issues such as problematic drivers.

The new paratransit service contract is expected to contain a provision where the contractor must provide two onboard video recordings of trips, selected by Metrobus, to be reviewed for quality and control purposes. However, considering Metrobus budgeted for over 160,000 GoBus rides in 2022, reviewing two recordings will not provide an accurate depiction of onboard service quality and likely not detect a potential problematic driver. Increasing the sample size of video reviews, while ensuring that every GoBus driver is included in the video reviews, would help diminish these risks and provide a more accurate reflection of contractor performance.

**Electronic Surveillance Policy**

The City's Electronic Surveillance Policy states that all arm's length corporations or entities that operate separate from the City but fall under City infrastructure, such as Metrobus, shall designate a manager to be responsible for electronic security management. This manager is responsible for developing local protocols that are in compliance with applicable legislation and City policy. A copy of the protocols as well as the name and contact numbers for the designated manager must also be provided to the Corporate Security Advisor for the City of St. John's.

The above requirements were discussed with Metrobus management who noted that local protocols have been developed in the form of a Metrobus Electronic Surveillance Policy. However, management noted that the policy is still in draft format. This was discussed with the City's Access and Privacy Analyst who recommended that her office review the internal policy prior to it being finalized.

Furthermore, management noted that the draft protocols and contact information of the Metrobus manager responsible for electronic security management has not been provided to the City's Corporate Security Advisor. Consequently, compliance and privacy related risks for Metrobus are increased.

**Recommendation 6.2**

- i. To minimize privacy risks and ensure Metrobus is compliant with the Access to Information and Protection of Privacy Act 2015 and the City of St. John's Electronic Surveillance Policy 09-01-09, management should consult with the City of St. John's Access and Privacy Analyst to:
  - a. complete a Privacy Impact Assessment regarding the GoBus onboard cameras and associated recording footage.
  - b. review and finalize Metrobus's internal Electronic Surveillance Policy subsequent to the completion of the Privacy Impact Assessment.

- c. provide the final copy of Metrobus's Electronic Surveillance Policy, along with the name of the designated manager at Metrobus and corresponding contact information, to the Corporate Security Manager at the City of St. John's.
  - d. amend the paratransit service contract to include reference to Metrobus's Electronic Surveillance Policy.
  - e. update the Onboard Camera System section of the GoBus manual to reflect any potential changes to the GoBus onboard cameras resulting from the Privacy Impact Assessment.
- ii. Pending results of the Privacy Impact Assessment, management should consider:
  - a. reconfiguring the setup of the onboard paratransit bus cameras to allow Metrobus immediate, direct access to the camera footage from Metrobus headquarters.
  - b. increasing the number of video recordings that are reviewed by Metrobus as part of the door-to-door service quality provision outlined in the new contract. When selecting videos for review, management should use the contractor's driver listing to ensure all contracted bus drivers are included in the ongoing reviews.

## **Management Response and Intended Course of Action 6.2**

### Metrobus Management Response

- i. We will review these recommendations with the City of St. John's Access and Privacy Analyst.
- ii. Actions will be dependent on the result of the privacy impact assessment.

City of St. John's Access and Privacy Analyst Response

We support the above noted recommendation as it is necessary for the protection of privacy and are prepared to assist with the implementation of the same.

City of St. John's Emergency and Safety Services Manager Response

The Electronic Surveillance Policy is scheduled for review in 2023. As part of the review, a discussion will be had on whether to maintain the requirement for the policy to apply to arm's length organizations such as Metrobus.

**Conclusion 6.2**

The recommendations will be implemented as stated above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** June 2023

**Information Only:** General Manager, Metrobus  
City Clerk  
Manager, Emergency and Safety Services  
Access and Privacy Analyst

**Issue 6.3 – GoBus Manual and Website Updates**

Information regarding the GoBus service, including a section regarding personal information and privacy, is included in the GoBus Manual. Given that customers depend on the GoBus Manual for decision making purposes, it is important that information in the guide is accurate and complete to maintain positive customer relations.

A review of the Personal Information and Privacy Section ("Privacy Section") of the GoBus Manual during the audit indicated that the retention period for applications and medical documents is 3 months. However, subsequent discussions with management and a



---

review of applicable documentation noted that applications and related documents are retained for two years and then subsequently destroyed. Furthermore, while the Privacy Section notes that personal information will be shared with the paratransit service contractor, the section does not make reference to the third-party performing the eligibility assessments or the Personal Health Information Act which the third-party must comply with. The Privacy Section also does not explicitly state that personal information collected by Metrobus is subject to ATTIPA. Applicable updates can therefore be made to the Privacy Section of the GoBus Manual to provide more accurate and complete information to the user, thereby reducing the risk of potential privacy issues and/or customer dissatisfaction.

Given the inaccuracies noted in the Privacy Section, additional sections of the GoBus Manual were reviewed for accuracy and completeness purposes. A physical inspection of the GoBus Manual noted that it was last updated in May of 2019, meaning that significant changes to the GoBus service, such as eligibility assessments and the implementation of the Via system, are not reflected in the manual. A similar review pertaining to the GoBus portion of the Metrobus website by the OCIA also resulted in the identification of outdated and incomplete information.

Discussions with management and an inspection of documents noted that an update to all GoBus documentation, including the GoBus Manual and website, was included in Metrobus's 2021 Operational Plan. However, given the turnover in the ATS Manager position, planned updates were delayed and other planned activities took priority. Consequently, there is a risk that users of the GoBus Manual and website could rely on inaccurate or incomplete information, thereby negatively impacting customer relations.

### **Recommendation 6.3**

To ensure accuracy, completeness and/or better inform potential applicants of how their personal health information will be managed, management should:

- i. immediately update the Personal Information and Privacy section of the GoBus Accessible Transit User Guide to:
  - outline any personal information collected is subject to the Access to Information and Protection of Privacy Act, 2015.
  - make reference to the sharing of information with the 3<sup>rd</sup> party responsible for performing the eligibility assessments and note that the 3<sup>rd</sup> party is bound by the Personal Health Information Act.
  - reflect the actual record retention period for the applicant's personal health information.
- ii. review and update the remaining parts of the GoBus Accessible Transit User Guide for accuracy and completeness purposes.
- iii. review and update the GoBus website for accuracy and completeness purposes.
- iv. perform similar reviews and updates on a scheduled basis in the future (e.g. annual or biennial) to ensure information in the GoBus Accessible Transit User Guide and website continues to be accurate and complete.

### **Management Response and Intended Course of Action 6.3**

#### Metrobus Management Response

For part (i), we will ensure this is in the latest version with updated information.

For parts (ii) to (iv), this is already being done regularly. However, any inconsistencies or outdated information will be updated immediately.

#### City of St. John's Access and Privacy Analyst Response

We support the above noted recommendation as it is necessary for the protection of privacy and are prepared to assist with the implementation of the same.

**Conclusion 6.3**

The recommendations will be implemented as noted above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** March 2023

**Information Only:** General Manager, Metrobus  
City Clerk  
Access and Privacy Analyst

**Issue 6.4 – Training**

The Office of the Privacy Commissioner of Canada (“OPIC Canada”) states that sufficient and appropriate training should be provided to employees to ensure they fully understand their roles and responsibilities in protecting personal information. Training should include reference to applicable policies or pieces of legislation, including what they contain, why they are important, and the consequences of neglecting them.

It was noted through discussions with management that the ATS Manager has not completed formal training related to handling and securing personal health information. Therefore, the risk of non-compliance with ATIPPA, or a potential privacy breach, is increased.

The OCIA determined that complementary training courses are offered online through the Department of Health and Community Services of the Government of Newfoundland and Labrador regarding the Personal Health Information Act (“PHIA”) and securing personal health information. Specifically, there is a course entitled “Direct Contact with Personal Health Information”. Per the course description, the course is suited to those who are in direct contact with personal health information and are not, and do not work for, custodians as defined under PHIA.

The PHIA was discussed with the City's Access and Privacy Analyst who noted that Metrobus itself is not subject to the PHIA because it does not meet the definition of a custodian as outlined in subsection 4(1) of the legislation. Consequently, this course aligns with the ATS Manager's responsibilities given she has direct contact with personal health information but is not a custodian under the PHIA.

#### **Recommendation 6.4**

To help minimize the risk of a privacy breach, management should ensure the Manager of Accessible Transit Services completes the online course "Direct Contact with Personal Health Information" offered by the Department of Health and Community Services of the Government of Newfoundland and Labrador and any other pertinent training.

#### **Management Response and Intended Course of Action 6.4**

##### Metrobus Management Response

We will ensure this is completed by the ATS Manager.

##### City of St. John's Access and Privacy Analyst Response

We support the above noted recommendation as it is necessary for the protection of privacy and are prepared to assist with the implementation of the same.

#### **Conclusion 6.4**

The recommendation will be implemented as noted above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** March 2023

**Information Only:** General Manager, Metrobus  
City Clerk  
Access and Privacy Analyst

**Issue 6.5 – Email**

The Office of the Information and Privacy Commissioner of Newfoundland and Labrador (“OIPC NL”) notes that there are inherent risks, such as the unauthorized interception by third parties, when sending personal health information through e-mail. OIPC NL remarks that it is a good practice to inform clients of the potential risks when using email to transfer personal medical information.

Applications to use the GoBus service, which includes medical information about the applicant, can be sent to the ATS Manager by mail, fax, or e-mail. The application form was inspected during the audit, and it was noted that there is no disclaimer informing applicants about the potential risks of using email to provide personal health information to Metrobus. While email is a timely and efficient method of communication, it is incumbent on Metrobus to inform applicants of the associated risks. This will allow applicants to make an informed decision when determining how to send their GoBus application and personal health information to the ATS Manager for processing.

**Recommendation 6.5**

To better inform applicants about the potential risks of sending personal health information via email, management should update the GoBus Accessible Transit Application Form to include a disclaimer regarding the potential risks of sending applications to Metrobus via email.

**Management Response and Intended Course of Action 6.5**Metrobus Management Response

We will ask legal for language to insert this disclaimer into the application form.

City of St. John’s Access and Privacy Analyst Response

We support the above noted recommendation as it is necessary for the protection of privacy and are prepared to assist with the implementation of the same.

**Conclusion 6.5**

The recommendation will be implemented as noted above.

**Action By:** Manager, Accessible Transit Services

**Action Date:** March 2023

**Information Only:** General Manager, Metrobus  
City Clerk  
Access and Privacy Analyst

**Issue 6.6 – Fax**

OPIC Canada notes that there are risks associated with using fax to transmit personal information. For example, placing a fax machine out in the open means personal information being sent or received may be visible to passers-by. As such, OPIC Canada recommends safeguards to protect faxed information such as the use of fax cover sheets, the use of passwords to retrieve faxes (if possible), keeping fax machines in a closed area, and designating a single person to retrieve and deliver faxes.

Discussions with management noted that faxes go directly to the main multifunction printer in the Metrobus offices. The printer is located inside the offices away from the high traffic entrance area and is only accessible to Metrobus employees. Management noted that employees have to scan their key card at the printer in order to retrieve their print job, however, this functionality is not applicable to incoming faxes. Furthermore, Metrobus does not provide a fax cover page for use by applicants and a single Metrobus employee is not designated to receive faxes. As such, Metrobus has an opportunity to implement additional controls to further secure applications received by fax and decrease the risk of a privacy breach.

**Recommendation 6.6**

To improve the security of GoBus Accessible Transit Applications received by fax and reduce the likelihood of a potential privacy breach, management should consider:

- i. developing a standardized fax cover page to be used by applicants who submit GoBus Accessible Transit Applications via fax. The cover page could be preaddressed listing the Manager, Accessible Transit Service as the intended recipient and GoBus Accessible Transit Application as the subject line.
- ii. updating the GoBus Accessible Transit Application form to include the fax cover page and instructions directing applicants who submit the application via fax to utilize the cover page.
- iii. reviewing the capabilities of the fax machine to determine if it can be configured to require the receiver to enter a passcode or keycard to access the fax.
- iv. designating a single person as being the person handling all incoming fax communications. If the majority of incoming facsimiles relate to GoBus operations, the ATS Manager could potentially be the designated individual.

**Management Response and Intended Course of Action 6.6**Metrobus Management Response

We have one incoming fax line and the printer they are received on is only used by a few administrative staff. It is unavailable to unionized staff, etc. Everyone knows to pass all faxes with GoBus on them to the ATS Manager. Adding a cover page will add little in terms of privacy controls. We cannot modify the printer for passcodes on faxes as there is 1 fax number and there is no way to know what fax belongs to whom. We suggest no change in this area, however, we will discuss the proposed recommendations with the City's Access and Privacy Analyst.

City of St. John's Access and Privacy Analyst Response

We support the above noted recommendation as it is necessary for the protection of privacy and are prepared to assist with the implementation of the same.

**Conclusion 6.6**

Regarding parts (i) and (ii), the recommendations are under consideration. Management has preliminary suggested no changes in these areas but will discuss the proposed recommendations with the City's Access and Privacy Analyst. The implementation of the recommendations will be dependent on these discussions. The status of these recommendations and associated implementation will be assessed during audit follow-up work.

Regarding part (iii), management indicated the recommendation has been implemented as they have reviewed the capabilities of the fax machine and determined it is unable to add user passcodes in order to retrieve faxes.

Regarding (iv), the recommendation is under consideration. Management indicated that access to the fax machine is already limited to a few administrative staff and therefore no further access restriction, such as designating a single person responsible for all incoming faxes, is required. However, management will discuss any potential changes with the City's Access and Privacy Analyst. The implementation of the recommendation will be dependent on these discussions. The status of this recommendation and associated implementation will be assessed during audit follow-up work.

**Action By:** Manager, Accessible Transit Services

**Action Date:** June 2023

**Information Only:** General Manager, Metrobus  
City Clerk  
Access and Privacy Analyst



## ***Section 7 – Encouraging Conventional Transit***

### **Issue 7.1 – Travel Training**

It is considerably more expensive for Metrobus to transport a passenger using paratransit as opposed to conventional travel. Data compiled internally by Metrobus showed that in 2021 it cost \$9.23 to transport a single passenger using conventional transit. Conversely, the per trip rate charged by the paratransit service contractor in 2022 was \$29.48, which does not include associated operating costs such as Via system costs, management salary and benefits, depreciation, and fuel costs beginning in 2023. Incorporating these additional operating costs would further escalate the per trip costs for GoBus.

Encouraging GoBus users, when possible, to use conventional transit reduces total organizational costs and increases the financial viability of the paratransit service. Management recognizes the importance of encouraging conventional transit and has been proactive in installing accessible low floors (“ALF”) on several conventional Metrobus vehicles. In total, ALF ramps can be used at over 80 percent of bus stops with more than 40 percent of stops deemed to be fully accessible for customers using mobility devices. Metrobus should be commended for taking these proactive steps to increase accessibility to conventional transit.

In addition to improving the accessibility of conventional buses, industry research shows that the implementation of a travel training program is an effective strategy to encourage paratransit riders to try conventional transit. Travel training generally comprises one or more of the following activities:

- Instruction about how to travel from a specific origin to a specific destination. This typically includes designing a highly individualized path of travel and delivering route instructions on the street and on transit vehicles.
- A general overview and orientation to a public transportation system covering such tasks as reading a schedule, identifying a stop location, purchasing the fare, and using the transit vehicle’s features.

- Instruction on how to use personal mobility devices on public transportation and instruction on how to safely board, ride, and depart vehicles.

Travel training programs are effective in providing current paratransit users familiarity and confidence in using conventional transit. Furthermore, studies regarding travel training programs and associated cost savings found that transit agencies save or divert between \$1.45 and \$3.98 for every \$1.00 spent on travel training. Such savings result from the travel trainers' abilities to teach customers how to use conventional transit successfully rather than relying on paratransit services.

Discussions with management noted that a targeted travel training program was piloted in 2018 in partnership with a local disability group. The training involved a presentation about conventional travel to members of the disability group, all of whom were active GoBus users. Participants were also taken out on a Metrobus to provide the actual experience of using conventional travel and provided with free passes for future use. Discussions with the former ATS Manager indicated that this training was well received, however, only two travel training sessions were completed due to other activities, such as the Transit Review and COVID-19 response, taking precedence. Given that the Transit Review has been completed and the majority of COVID-19 public health measures have been eliminated, now would be an excellent time to revisit this travel training program and take steps to better formalize it.

### **Recommendation 7.1**

To encourage GoBus users to use conventional travel, when possible, and ensure they are comfortable in doing so, management should:

- i. revisit the travel training program and take steps to better formalize the program, including identifying if additional resources are required to administer the program.
- ii. continue to work with the disability community to create targeted opportunities to provide group travel training.

- iii. update the GoBus section of the Metrobus website and the GoBus User Manual to include a section explaining travel training.
- iv. gather feedback from travel training participants after completion of the travel training to improve the process.
- v. undertake awareness strategies to inform and educate the disability community and GoBus riders about the availability of travel training and its benefits.

### **Management Response and Intended Course of Action 7.1**

We currently offer travel training as resources are available or upon request. However, in order to better formalize the program and do more, additional resources would be required. We do send information on travel training to applicants who are not approved for the GoBus service.

### **Conclusion 7.1**

The recommendations will not be implemented. Subsequent discussions with management regarding these recommendations noted that better formalizing the travel training program and undertaking further activities relating to travel training would require additional resources that are not currently available. However, management noted this is something that could potentially occur if additional resources are procured in the future.

**Action By:** Manager, Accessible Transit Services

**Action Date:** N/A

**Information Only:** General Manager, Metrobus

**Issue 7.2 – Conventional Transit Incentives**

Among the common strategies employed by transit authorities to encourage the use of conventional transit is to provide free or heavily discounted conventional transit rides to paratransit users. Research has shown that low fares is the most highly ranked feature that can make conventional travel attractive to paratransit riders.

This strategy was discussed with management who noted that with the exception of free passes given to a small group of travel training participants, such a strategy has not been widely tested at Metrobus. Therefore, management may be missing an opportunity to potentially increase the use of conventional transit for paratransit riders and reduce overall organizational costs.

**Recommendation 7.2**

To reduce costs and encourage GoBus users to use conventional transit, when possible, Metrobus should consider:

- i. offering GoBus users fare incentives, such as reduced rates or complementary rides, when riding on conventional transit.
- ii. subsequently monitoring the GoBus users on Metrobus metric to see if the metric is increasing.

**Management Response and Intended Course of Action 7.2**

We will investigate the possibility of adding some free rides to those who undergo travel training as an incentive to try conventional service. However, we do not recommend permanent fare discounting for numerous reasons.

**Conclusion 7.2**

The recommendations are under consideration as management indicated they will investigate the possibility of adding some free rides to those who undergo travel training

as an incentive to try conventional service. The status of these recommendations and associated implementation will be assessed during audit follow-up work.

**Action By:** Manager, Accessible Transit Services

**Action Date:** June 2023

**Information Only: General Manager, Metrobus**

### **Issue 7.3 – Feedback from GoBus Users Who Ride Metrobus**

It is important for transit agencies to understand the needs of transit riders as it helps agencies make better decisions about their services. By understanding why some paratransit users also ride conventional travel, transit agencies can potentially adapt conventional travel to further encourage usage by paratransit riders. This reduces overall costs for the transit agency and provides paratransit users with more travel options and increased autonomy.

The number of rides taken by GoBus users on Metrobus is tracked every month as a KPI and presented on the monthly financial statements. Discussions with management noted Metrobus can analyze this data and determine the names of the GoBus users who rode on Metrobus if their GoBus card is registered. Per management, the majority of GoBus users have their card registered.

Given the availability of the above data, there is an opportunity for Metrobus to better understand the needs of these riders by gathering feedback on their experience using conventional transit. Feedback could be focused on understanding why these riders opt to ride conventional transit and if any changes could be made to further increase usage. Similarly, these riders may be good candidates for travel training if they are uncertain about any areas of conventional transit.

**Recommendation 7.3**

Management should contact a sample of GoBus users who ride on Metrobus to gather their feedback to understand:

- why they choose conventional travel over GoBus for select rides.
- if any improvements can be made to conventional transit that would increase their usage.
- if they would be interested in travel training to become more comfortable when using conventional transit.

**Management Response and Intended Course of Action 7.3**

We will investigate periodically reaching out to clients who have registered Go-Cards with email addresses in order to ask for feedback on their experience using the conventional service.

**Conclusion 7.3**

The recommendation is under consideration as management indicated they will investigate reaching out to GoBus clients to gather feedback regarding their experience using conventional transit. The status of this recommendation and associated implementation will be assessed during audit follow-up work.

**Action By:** Manager, Accessible Transit Services

**Action Date:** June 2023

**Information Only:** General Manager, Metrobus