



EXECUTIVE SUMMARY

THEFT OF COIN, TICKETS – METRO TRANSIT
Transportation and Public Works, Transit Services

JULY 2010

Note: The published version of this report omits some information which is of a sensitive nature to personal privacy, Halifax Regional Municipality, or other organizational security.

Background:

Anonymous tips had been received regarding possible theft of Metro Transit coin and used transit tickets. These tips, along with the discovery of a controlled locking mechanism to access the fare boxes, gave enough preliminary information to undertake a full investigation into this allegation. Metro Transit utilized the installed cameras and recorders on the buses to obtain additional camera angles and video footage. This information, along with the found locking mechanism, clearly indicated the possibility of theft.

Scope:

The specific issues or allegations considered under this review included:

1. Was theft of coin and used tickets taking place from the Metro Transit location at Thornhill Drive?

Details:

1. To observe all processes completely, Metro Transit arranged to record certain activity to give sufficient video surveillance of processes.
2. Overall, there was reasonable video evidence to support the allegation thefts were occurring.
3. The video evidence also suggested buses were not consistently cleaned and maintenance checks were not regularly performed as required.

Recommendations:

While it is the intention of the Auditor General to undertake a separate independent review of controls over fare box collection and bus maintenance, some initial observations and resulting recommendations can be made:

1. Metro Transit management should undertake a review of camera security around sensitive areas of the bus garage, particularly where cash is being handled. Any obvious “blind spots” should be reviewed.
2. Metro Transit management should undertake a review on a regular basis of camera video during “off hours” to identify any possible deviations from established procedures.
3. Metro Transit, with the assistance of Finance, should review the need for variance indicators in the overall handling of cash. For example, the policy of cash not being counted by individual bus does not allow for variances in expected cash versus actual cash (on hand to be deposited) to be immediately identified.
4. Metro Transit should initiate a process to enable the verification of bus cleaning and to ensure maintenance checks are being done to the accepted standard.

Management Response:

1. *Metro Transit management agrees with the recommendation that it should undertake a review of camera security as suggested.*
2. *Metro Transit management agrees with the recommendation that it should undertake a review on a regular basis of camera video during "off hours" as suggested.*
3. *Metro Transit management agrees to work with Finance to institute processes and variance indicators for cash handling. We are not sure that the suggestion of individual bus counts is practical, or achieves the objective, as buses are assigned to different routes on a daily basis and the bench marking would be administratively difficult.*
4. *The issue regarding supervisory oversight will be rectified once Transit occupies Ragged Lake. In the very near future the Transit operation will be moving to the new garage at Ragged Lake. The operation will change considerably. It will become a 24/7 operation. There will be continuous supervision for all shifts. Transit will also put into place at both Ilsley and Ragged Lake random bus checks/inspections to make sure the required standards are met. Supervisor will go over the cleaning and maintenance checks with all of their staff.*