

Program Evaluation and Audit

Farebox Incident - 2019

May 19, 2020



Background

- In early 2019, a review of variance of the Farebox (FB) cash data found low-value variance that could not be offset
- Revenue Operations engaged in a range of activities to identify & explain the pattern: *Equipment Failure, Cash Processing, Employee schedules, etc.*
- Following pattern emerged:
 - Negative balances coincided with absences of the assigned FB Garage tech
 - Negative balances further matched, almost perfectly, to one specific FB technician floater.
 - Reported findings to Internal Audit/Finance Management May 2019

Observations

- From May-June 2019, Revenue Operations conducted the following review of a specific employee
 - Compared reconciliation data to employee schedule
 - Negative balances matched employee schedule
 - Video footages showed behavior of hiding a “pouch” suspected of holding FB cash
- Revenue Operations communicated the findings to Internal Audit, Labor Relations, HR and MTPD investigators.

Investigation

- MTPD confronted the employee and during the search found the suspected “pouch” and discovered cash suspected to be farebox cash
- The employee is no longer with the Council

Policy Changes – Effective Sept. 1st, 2019

- Immediate or nearly immediate notification of any inordinate variances by Revenue Balancing
 - Investigate negative variances
- Employees log-into farebox with their ID prior to FB repair
- Employees switch on the bus power which activates camera recording of onboard FB maintenance
- Refresher training for technicians
 - Review policies procedures
 - Detailed review of security policies and procedures
- Implementing phased in replacement FB with more security features
- Requested cameras to monitor buses parked in the bays.
- Internal department FB audits

Questions?