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### **NEW AUDIT RECOMMENDS MULTIPLE CHANGES AT TRIMET** Recommendations range from safety and scheduling to labor-management relations

The first-ever comprehensive audit of Oregon's largest transit agency noted more than two dozen areas that management should work on, from safety and scheduling to labor-management relations and unfunded liabilities.

"TriMet must work to improve a contentious labor-management relationship in order to solve its fiscal challenges and continue to provide critical services to Multnomah, Washington and Clackamas County residents," said Secretary of State Kate Brown. "While auditors found more than two dozen areas of concern, TriMet's \$1.1 billion health care and pension liabilities remain the agency's most significant challenge."

The agency's unfunded liability for future retiree medical costs was recently estimated at \$852 million. The newest operator contract will help reduce the amount by shifting the agency to a defined contribution pension plan, shared health benefit costs and a change to the retirement age. While TriMet has been addressing its \$274 million unfunded pension liability, it needs to develop long-term financial strategies to address the issue of medical costs.

Strained relations between TriMet management and the Amalgamated Transit Union, which represents most of the agency's frontline employees, are also adversely affecting the organization and its operations. Low morale and employee mistrust of management are barriers to communications and problem-solving.

Based on longstanding public concerns, the 2013 Oregon Legislative Assembly asked for a top-to-bottom review of TriMet. Because of the broad scope and short time frame, the audit released today identifies critical areas where auditors saw the possibility of improvement, though it does not delve deeply into any one area. The audit recommends that TriMet continue to work to determine the extent of the problem in these areas and whether other cost-effective solutions exist.

The audit makes the following recommendations for TriMet:

### **Administration and oversight**

- Implement a waste, fraud and abuse hotline for employees to report concerns.
- Publish results of all internal and external reviews and audits (both performance and financial) on its web site.

### **Financial challenges**

- Develop strategies for reducing unfunded health care and pension liabilities.

### **Labor-management relationship**

- Hold formal meetings with the union outside of contract negotiations in order to repair a contentious relationship and help address ongoing financial and operational challenges.
- Identify strategies for improving two-way communication and the relationship between TriMet management and frontline employees.
- Employ successful strategies that other transit agencies use to better communicate and engage frontline employees.

### **Transparency**

- Identify ways to communicate to participants how their input affected the decision and explaining the decision in a clear and timely fashion.
- Conduct Attitude and Awareness Survey every year to better track satisfaction with its services.

### **Route planning**

- Adopt guidelines to ensure consistency in identifying and executing service changes.
- Reexamine processes for determining work shifts to ensure adequate time for operator breaks.
- Work with operators to address the adequacy of bathroom facilities.
- Improve system for receiving feedback on scheduling from operators.
- Follow up with operators about whether their suggestions can be implemented.

### **Scheduling operators**

- Work with the union to continue to identify and evaluate alternative strategies to reduce the complexity and cost of bus operator signups.

### **Hiring and employee evaluations**

- Continue to work with the union on entry-level hiring practices for maintenance employees to allow for hiring those with prior training or experience.
- Formally document bus operator re-certification program by adding it to the standard operating procedures.
- Develop formal evaluation process for all frontline employees that includes written constructive and positive feedback when warranted.

### **Safety and accountability**

- Evaluate whether all of the recommendations in the Task Force Report have been implemented.
- Evaluate the safety committees to ensure that they are effective and sufficiently communicating with frontline employees.
- Further communicate with frontline employees to explain the RSA process, including its purpose and merits.
- Continue to work with the union to establish a comprehensive hours of service policy that covers all safety sensitive positions.
- Work with the union to develop a policy for bus operators to ensure they are fit to operate a vehicle before their shift.
- Address employee perceptions about safety and communicate efforts underway to mitigate safety risks.

The audit report documents several initiatives TriMet has already undertaken. We recommend TriMet successfully complete these initiatives.

The report, including the agency response, can be found at :  
<http://sos.oregon.gov/audits/Pages/recent.aspx>

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