Motor Carriers Review

Introduction and Audit Scope
The Motor Carrier Division (MCD) regulates the operations of commercial vehicles throughout the State of Utah. They enforce the safety of commercial vehicles, preserve highway infrastructure, and ensure motor carrier drivers comply with applicable federal and state regulatory requirements. Our audit review examined the procedures to process payments, issue citations, and conduct inspections. We also examined the Western Regional Permit Program and UDOT’s involvement with this interstate permitting process.

Satisfactory Performance Areas

1. Inspection Process Exemplifies Customer Service and Education
   Port of Entry inspectors exemplify customer service when enforcing the safety of motor carrier vehicles at port of entry locations. The inspectors took additional time to explain the safety concerns to the drivers and demonstrate exceptional knowledge of the Federal Motor Carrier Safety Administration (FMCSA) inspection requirements and citation processes.

2. Comptroller Reconciliation Controls Reduce Payment Processing Vulnerabilities
   The Comptroller’s Office provides needed controls to ensure the accuracy of monies received by the MCD. In addition, the Office can provide additional support to receipt and account for monies the division manages.

3. Effective Safeguards to Protect Confidential Data and Access to Systems
   Access controls to safely protect confidential driver and company data is effective. The MCD has high turnover at port of entry locations, but manages keep access to vital systems safe from inappropriate and unauthorized access.

Recommendations and Observations
The following are concerns with significant control weaknesses.

1. Conflict of Duties Increases the Potential for Fraud and Errors
   We identified a separation of duties conflict with two key employees. These employees manage monies that arrive at the MCD headquarters but perform various duties that increase the potential for mismanagement of monies or fraudulent activity.

2. Cash Receipting Process at Headquarters Increases Risk for Inappropriate Activity
   The MCD does not properly receipt for cash and check payments in accordance to UDOT 02-60 due to limited staff availability at headquarters. This increases the vulnerability of mismanagement and/or fraudulent activity since the Division cannot ensure with two individuals of all monies received by the Division.
Non Compliance to *Utah Code* 51-4-1(2) on Timely Deposits

Two port of entry locations did not comply with the Utah Code 51-4-1(2) and MCD policy 300-005 (7) which requires employees to deposit monies received at ports no later than three business days.

The following are concerns with moderate control weaknesses.

1. **Unsecure Access to Cash Lockers**
   
   Each employee has access to the safes at port of entry locations because they retrieve monies placed in the safes to complete bank deposits. However, the safes also contain additional keys to cash lockers and other secure cabinets at the ports. This increases the risk of an employee removing the key from the safe to access cash from the cash lockers and other locked cabinets that may be inappropriate for general employees to access.

2. **Exposed IT Equipment May Severely Disrupt Port Operations**

   Ports have essential IT equipment that are exposed to accidental and/or intentional damages. Employees have access to the area because cash lock boxes, storage items, and the safe are housed in the same location as the IT equipment which increases the potential for deliberate or accidental damage. Damage would impair key systems at port locations that are essential for the employees to operate.

3. **Inspections Bays Increases the Potential for Injury**

   We observed that some inspection bays have open pits that extend from approximately 50 feet in length, three feet wide, and four feet deep. The pit allows inspectors to review the undercarriage of vehicles, but since the pits remain open, it increases the potential for accident or injury.

4. **MCD Policy 400-003 is Non-Compliant to *Utah Code* 72-7-404(5)**

   The MCD developed a policy to assist port agents to determine the appropriateness of issuing citations to carriers that do not comply with weight restrictions. However, the policy violates *Utah Code* 72-7-404(5) which establishes a strict criteria for issuing citations to carriers that violate weight restrictions.

The following is a concern deemed as a minor control weakness.

**PCI Policy Revision to Enforce Security Log Requirements**

Several employees questioned how often they should conduct security checks of the Payment Tech machines that process credit card transactions and how often and to whom security logs for such actions should be kept. The current policy UDOT 02-65 requires security checks but does not require documentation of such actions. Without coordination with the Special Projects Manager, the MCD cannot fulfill the expectations of the PCI security reviews of credit card machines.