



SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

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2020

February 13, 2020

Lateefah Simon
PRESIDENT

Mark Foley
VICE PRESIDENT

Robert Powers
GENERAL MANAGER

Ms. Therese McMillan
Executive Director
Bay Area Toll Authority
Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

DIRECTORS

Debora Allen
1ST DISTRICT

Mark Foley
2ND DISTRICT

Rebecca Saltzman
3RD DISTRICT

Robert Raburn, Ph.D.
4TH DISTRICT

John McPartland
5TH DISTRICT

Elizabeth Ames
6TH DISTRICT

Lateefah Simon
7TH DISTRICT

Janice Li
8TH DISTRICT

Bevan Duffy
9TH DISTRICT

RE: Bridge Toll Revenue Funding for the Office of the BART Inspector General

Dear Ms. McMillan:

The Office of the BART Inspector General was created by Senate Bill 595 (SB 595) and codified in Article 7 of California Public Utilities Code §28840-28845, which became effective after voters approved Regional Measure 3 in June 2018. The legislation requires the Bay Area Toll Authority (BATA) to provide \$1 million from an allocation of bridge toll revenue to fund the Office of the BART Inspector General. BATA may increase the funding in the second and subsequent years of operation of the office, to the extent funds are requested, justified, and can be accommodated in BATA's budget.

The legislation requires the duties and responsibilities of the BART Inspector General to include, but not be limited to:

- (a) To examine the operating practices of the district to identify fraud, waste, and opportunities for efficiencies in the administration of programs and operations.
- (b) To ensure the BART administration, the board of directors, and the public are fully informed of his or her findings and recommendations.
- (c) To identify opportunities to improve the data used to determine project resource allocations.
- (d) To conduct, supervise, and coordinate audits and investigations relating to the district's programs and operations, including, but not limited to, toll-funded programs.
- (e) To identify best practices in the delivery of capital projects and recommend policies to enable the district to adopt these practices when practicable.
- (f) To recommend policies promoting efficiency in the administration of programs and operations.
- (g) To review and recommend best practices that the district should follow to maintain positive and productive relations with its employees and the collective bargaining units representing those employees.

Fulfilling the legislative mandates will require the Office of the BART Inspector General to perform a mix of performance audits and investigations. However, it will be difficult to fulfill the mandate effectively with only \$1 million in annual funding. The salary, benefits, and overhead for the Inspector General and an Assistant Inspector General are expected to be approximately \$750,000 in FY 2021. Hiring a third person for the office would increase that amount over \$1 million, to approximately \$1.052 million in FY 2021, before taking other office expenses into account. However, a third person, at a minimum, is needed for the Office of the BART Inspector General to effectively fulfill its legislative mandates.

Based on that, the BART Board of Directors respectfully requests the Board of Commissioners of the Metropolitan Transportation Commission to allocate an additional \$200,000 for the Office of the BART Inspector General in FY 2021, and that \$1.2 million be considered as the base allocation going forward, unless that amount is subsequently superseded by a future increase based on the OIG's workload, as provided for in SB 595. We also request that the Board of Commissioners consider building an annual inflation factor into the funding agreement between BATA and BART for the Office of the BART Inspector General, which has not yet been signed. Such an inflation factor should be based on the California Consumer Price Index, which is the Index cited in SB 595 for increasing future bridge toll rates, and would ensure that the Office of the BART Inspector General can continue to meet its legislatively mandated duties and responsibilities in future years.

Sincerely,

Lateefah Simon
President

Mark Foley
Vice-President

Debora Allen
District 1

Rebecca Saltzman
District 3

Robert Raburn
District 4

John McPartland
District 5

Liz Ames
District 6

Janice Li
District 8

Bevan Dufty
District 9