

# PB<sup>2</sup> Performance Report

No. 98-55

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## Public Transportation Program Meets Most Standards; Accountability System in Need of Strengthening

*This report assesses the performance of the Florida Department of Transportation's (FDOT) Public Transportation Program based on its 1997-98 performance-based program budgeting (PB<sup>2</sup>) measures and comments on the measures proposed by the department for 1999-2000.*

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### Summary

- The program's performance measures are not sufficiently developed to enable the Legislature to assess the results of program activities. Most of the current outcome and output measures are affected more by general economic conditions than program activities.
- The program funded more public transportation projects than in prior years, but committed only 72% of available funds for public transportation capacity improvements. Uncertainty related to the high-speed rail system accounts for a portion of these uncommitted funds. Most of the program's measures of public transportation system usage showed moderate growth over prior years.
- The program's accountability system meets OPPAGA's expectations in three of the four areas (*program purpose or goals, data reliability and reporting of information and its use by management*). However, the program's *performance measures* need modification to better assess progress toward meeting program's objectives such as expanding capacity and increasing mobility. The program's output measures also need to be more directly linked to measures of program results and the Agency Strategic Plan.
- We provided a draft copy of our report to the Secretary of the Department of Transportation, who concurred with our recommendations.

## Background

The Public Transportation Program, under the direction of the Public Transportation administrator, plans, promotes, and provides public transportation in Florida, which involves aviation, intermodal, rail, seaport, and transit facilities and services. The program's activities are intended to enable public transportation systems to be planned for and funded, and aid these systems in making positive impacts on Florida's economic development, tourism, and provision of social services. There are 129 public airports (26 privately owned), 13 railroad companies operating 2,988 miles of track, 14 public deep-water ports, and 18 public transit systems in the state. Florida was planning a high-speed passenger rail system through a public/private partnership that would have linked Miami, Orlando, and the Tampa Bay area. However, the Governor recommended in his Fiscal Year 1999-2000 budget to withhold funding for the high-speed rail project.

The program provides financial (federal and state grants) and technical assistance to local governments and private sector entities that own and operate public transportation systems. The program is statutorily directed to commit a minimum of 14.3% of State Public Transportation Fund revenues to public transportation projects. The program funds projects designed to improve safety, increase capacity, purchase property, plan construction, enhance economic development, and preserve transportation facilities. The program also conducts safety inspections of airports, railroads, grade crossings, and transit equipment. Department district staff coordinate and implement these projects at the local level.

Most program activities are performed by in-house staff, although private sector consultants often conduct planning/engineering studies. In addition, FDOT districts may hire consultants to perform mandated activities such as transit vehicle inventories and safety inspections. The department allotted the program an estimated \$346 million and 139 positions for Fiscal Year 1998-99.<sup>1</sup>

The department's performance is monitored through various reporting requirements. The Florida Transportation Commission, an independent commission composed of private business people, evaluates the department's performance quarterly and reports to the Legislature annually. The department reports annually to the Governor on its progress in achieving program objectives in its agency strategic plan. The department also reports annually to the Legislature on its progress in achieving program objectives defined in law. Some of the measures reported in the commission's performance and production review and in the department's strategic plan and program objectives and accomplishment report are also used for performance-based program budgeting.

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<sup>1</sup> The Florida Department of Transportation's funds are not appropriated in the PB<sup>2</sup> program budget format.

## Performance

The program's current PB<sup>2</sup> performance measures provide only limited information on the program's activities and accomplishments. The program attained or exceeded 8 of its 11 performance standards established in the General Appropriations Act for Fiscal Year 1997-98. However, several of the program's measures were likely affected more by national and international economic trends than by the program's activities. Transit ridership increased while airplane passenger enplanements, public transit passenger trips, and the volume of trade shipped by water and air stayed about the same as in the prior years. The program increased the number of public transportation projects it funded.

Other measures of program performance, which are internally maintained by the department, show that public transportation safety has improved in recent years. Program staff need to work more closely with local government staff to ensure that the maximum amount of funds are committed for capacity improvements. Over the past year, 28% of committed funds were not used because local governments did not proceed with approved projects and due to uncertainty about the high-speed rail project.

See Appendix A for a more detailed discussion of program performance for each of its measures.

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## Proposed Performance Measures

The Public Transportation Program measures proposed by FDOT for Fiscal Year 1999-2000 are derived from those that are found in Fiscal Year 1998-99 General Appropriations Act. The program's measures main focus are on providing grants for transit, rail, aviation, and seaport development projects. The proposed measures that relate to the number of projects funded provide little information concerning the program's operational efficiency or the effect of the program's grants dollars.

OPPAGA believes that the program's PB<sup>2</sup> measures relating to projects funded should be replaced with those maintained by the Florida Transportation Commission that relate to the dollar amount of funds committed that were planned. Additional measures should be added indicating whether completed projects meet their objectives and are completed on time. The Governor recommended in his Fiscal Year 1999-2000 budget to withhold funding for the high-speed rail project. If the Legislature continues funding, then performance measures would be needed related to project development, construction, and operations.

OPPAGA also believes that the Legislature needs measures that assess the effectiveness of Florida's transportation policies. These types of measures provide important policy information that capture many factors which are beyond the program's performance. We suggest measures such as transit ridership growth compared to increased commuter automobile use and the percentage of commuters who use public transit. We also recommend additional measures that better address aviation safety, mobility, and environmental impacts. These measures would assist the Legislature in making policy

and funding decisions. To avoid burdening decision-makers with unnecessary details, some of these additional measures could be maintained in the performance ledger or by the department and made available for legislative review, rather than placed in the General Appropriations Act. Performance information maintained internally by the department should be held to the same quality standards as other information reported by the department.

See Appendix B for a more detailed discussion of our recommendations for the program's measures.

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## Rating of Program Accountability

A key factor in PB<sup>2</sup> is that agencies need to develop strong accountability systems that enable the Legislature and the public to assess program performance. An *accountability system* consists of these key elements: program purpose or goals, performance measures, a process for valid and reliable data, and credible reports of performance that can be used to manage the program. OPPAGA's rating tells decision-makers whether they can rely on the program's performance information. We compared the components of the Public Transportation Program's accountability system against our established criteria to determine its rating.

Accountability System Component	Meets Expectations	Needs Some Modifications	Needs Major Modifications
Program Purpose or Goals	X		
Performance Measures		X	
Data Reliability	X		
Reporting Information and Use by Management	X		

Source: OPPAGA analysis

The Public Transportation Program's accountability rating meets OPPAGA's expectations in three of the four categories. The program's purpose statement, goals, and objectives are clearly stated and understandable, although they are dispersed among many agency documents. Performance information is generally reliable, but could be improved if the department's inspector general validated measures based on data from sources outside the agency (program staff believe these outside data sources are reliable). Information on program performance and cost is available to the Legislature and the public. Program managers use the information for planning program activities and improving administrative procedures.

The program's performance measures need some modification. The measures are defined and generally valid, but do not measure progress toward meeting some of the program's objectives such as expanding capacity, increasing mobility, and protecting the environment. There is little direct relationship between output and outcome measures that would enable the Legislature to evaluate the direct results of program activities.

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## **For More Information**

Additional information about the Public Transportation Program is available on the Internet. The program profile is in OPPAGA's Florida Government Accountability Report (FGAR) at <http://www.oppaga.state.fl.us/profiles/6044>. OPPAGA's staff contact for this program is Darwin Gamble (850) 487-9247. Also through the Internet, you may access the Department of Transportation at <http://www.dot.state.fl.us> or by calling (850) 414-5250.

## Appendix A

### *Analysis of Program Performance for Each of Its Performance Measures*

#### *Outcome Measures*

Performance		1997-98	Met	Comments
1996-97	1997-98	Standard	Standard?	
Transit ridership growth compared to population growth ("actual" is based on calendar year 1997 and 12-month period ending April 1997)				
-1.00% / 1.80%	3.3% / 2.1%	1% / 2%	Yes	Public transit ridership increased faster than population growth, reversing a trend from the prior year. Ridership is affected by many variables including weather, economic conditions, and service quality.
Total waterborne trade in tons ("actual" is based on federal Fiscal Year 1996-97)				
110,000,000	109,400,000	128,300,000	No	These measures indicate the use of Florida's waterborne and air freight systems. Waterborne trade declined slightly while air cargo shipments increased. These measures are greatly affected by national and international economic conditions.
Tons of cargo shipped by air ("actual" is based on calendar year 1996)				
3,910,500	3,916,905	4,000,000	No	See above comments.

#### *Output Measures*

Performance		1997-98	Met	Comments
1996-97	1997-98	Standard	Standard?	
Number of passenger enplanements ("actual" is based on calendar year 1996)				
51,000,000	51,522,203	49,000,000	Yes	More passengers boarded planes during the year, meeting the performance standard. This measure is also highly dependent on economic conditions.

## Output Measures

Performance		1997-98 Standard	Met Standard?	Comments
1996-97	1997-98			
Number of projects funded				
Transit capital projects				The program funded more transit and aviation projects than in the prior year, and it generally met its performance standards. The number of projects funded is greatly dependent on the timing of federal project programming and funding.
48	66	46	Yes	
Transit operating projects				More intermodal and rail projects were funded than in the prior year, meeting performance standards. The number of projects funded is dependent on local governments' ability to identify needed projects and obtain matching funds.
71	134	153	No	
Aviation projects				
262	272	231	Yes	
Intermodal projects				
47	48	40	Yes	
Rail projects				
33	146	70	Yes	
Number of public transit passenger trips				
165,568,031	170,999,825	170,909,390	Yes	More passenger trips were provided by public transit systems than in the prior year, meeting the standard. The reported figure may double count trips that require a transfer.
Number of cruise embarkations and disembarkations at Florida ports				
7,300,000	8,600,000	7,500,000	Yes	Cruise ship passengers increased, reflecting tourism growth and the good economic conditions.

## Other Performance Measures

These measures are not part of the program's PB<sup>2</sup> measures, but provide useful information about program performance.

Measure	Performance		Comments
	1996-97	1997-98	
<b>Dollar amount committed to public transportation capacity improvement projects vs. dollar amount planned</b>	94%	72%	Although the program was able to fund a greater number of projects, the percentage of grant funds committed was lower than the prior year. Program staff attributes this to local governments not following through with planned projects and uncertainty related to the high-speed rail system.

Data source: *Performance and Production Review of the Department of Transportation, Year End FY 1997/98*, Florida Transportation Commission

## Other Performance Measures

These measures are not part of the program's PB<sup>2</sup> measures, but provide useful information about program performance.

Measure	Performance		Comments
	1996-97	1997-98	
<b>Number of public transportation projects funded</b>		666	This measure gives an indication of program workload output.
Data source: Florida Department of Transportation			
<b>Number of railroad derailments</b>	34		Derailments have ranged over the past 10 years between 15 and 47 per year.
Data source: 1997 Program Objectives and Accomplishments, March 1998, Florida Department of Transportation, Program Development Office, Office of Management and Budget. Data is for 1996.			
<b>Number of train/vehicle crashes</b>	92		This indicator of railroad safety has decreased from a high of 265 in 1988 to a low of 90 in 1995. This measure is linked to the program's grade crossing inspection activities.
Data source: 1997 Program Objectives and Accomplishments, March 1998, Florida Department of Transportation, Program Development Office, Office of Management and Budget. Data is for 1996.			
<b>Revenue miles between incidents for:</b>			This measure of public transit safety shows an overall improvement over recent years.
<b>1. fixed route transit</b>	45,290		Incidents include collisions, derailments, personal casualties, fires, and certain property damage associated with transit facilities and equipment.
<b>2. demand response transit</b>	79,510		
Data source: 1996 Performance Evaluation of Florida's Transit System, Center for Urban Transportation Research. Data is for 1996.			
<b>Percentage of farebox recovery to expenses for:</b>			This measure provides information as to the degree these systems need subsidization. Fixed route percentage has been around 30% for years; demand response has fluctuated over the last few years. Historically, farebox revenues from transit systems have not covered the majority of operating expenses. The range of farebox recovery for fixed route systems in 1996 was from 43.4% to 5.83%.
<b>1. fixed route transit</b>	29.04%		The department believes this measure should be used with caution, due to the manner in which fares are set by local governments. They believe this is only a good measure when the priority of fares is to cover a significant portion of the operating costs.
<b>2. demand response transit</b>	9.81%		
Data source: 1996 Performance Evaluation of Florida's Transit System, Center for Urban Transportation Research. Data is for 1996.			



## Other Performance Measures

These measures are not part of the program's PB<sup>2</sup> measures, but provide useful information about program performance.

Measure	Performance		Comments
	1996-97	1997-98	
<b>Number of containers moved at seaports</b>	2,373,087		The number of cargo containers moved at seaports has steadily increased over the last 10 years.
<b>Dollar value of Florida's waterborne foreign exports and imports</b>	\$40.9 billion		This measure provides information about the economic impact of Florida's ports.
Data source: <i>A Five Year Plan to Accomplish the Mission of Florida's Seaports, 1996/1997-2000/2001</i> , Florida Seaport Transportation and Economic Development Council. Data for waterborne exports and imports is for 1997.			
<b>Percentage of runways (at licensed public use airports) in compliance with minimum safety standards</b>	96.4%		Program staff indicates that a good standard for this measure of runway safety would be 95%. FDOT makes annual inspections of these airports.
Data source: Department of Transportation, Aviation Office. Data is for period of October 1997 to September 1998.			
<b>Total passenger mile per gallon for:</b>			These measures indicate the fuel efficiency of the transit systems.
<b>1. fixed route transit</b>	32.79		
<b>2. demand response transit</b>	15.18		
Data source: OPPAGA analysis of data contained in <i>1996 Performance Evaluation of Florida's Transit System</i> , Center of Urban Transportation Research. Data is for 1996.			
<b>Percentage of people requesting special need transportation who did not receive it</b>	1.5% - 245,098 denied requests		Transit systems generally meet most needs of those requesting services.
Data source: Florida Commission for the Transportation Disadvantaged			

## Appendix B

### *OPPAGA Recommendations for the Public Transportation Program's Fiscal Year 1999-2000 Measures*

#### *Outcome Measures, Fiscal Year 1999-2000*

Measures Proposed by FDOT	Proposed Standards	OPPAGA Recommendations/Comments
Transit ridership growth compared to population growth	2.0%/2.0%	We recommend adoption of these measures, although they are greatly affected by general economic conditions.
Tons of cargo shipped by air	4,500,000	
Total waterborne trade in tons	112,000,000	We recommend deletion of this measure, it should be replaced with the measure of the number of containers moved at seaports. This measure is more representative of statewide seaport activity.

#### *Output Measures, Fiscal Year 1999-2000*

Measures Proposed by FDOT	Proposed Standards	OPPAGA Recommendations/Comments
Number of passenger enplanements	59,000,000	We recommend adoption this measure.
Number of transit capital projects funded	33	We recommend deletion of this measure. This measure does not provide information about program performance. This measure should be replaced with the dollar amount committed to transit capital projects vs. dollar amount planned.
Number of transit operating projects funded	90	We recommend deletion of this measure. This measure does not provide information about program performance. This measure should be replaced with the dollar amount committed to transit operating projects vs. dollar amount planned.

## *Output Measures, Fiscal Year 1999-2000*

Measures Proposed by FDOT	Proposed Standards	OPPAGA Recommendations/Comments
Number of aviation projects funded	191	<b>We recommend deletion of this measure.</b> This measure does not provide information about program performance. This measure should be replaced with the dollar amount committed to aviation projects vs. dollar amount planned.
Number of public transit passenger trips	173,000,000	<b>We recommend adoption of these measures.</b>
Number of cruise embarkations and disembarkations at Florida ports	11,000,000	
Number of intermodal projects	34	<b>We recommend deletion of this measure.</b> This measure does not provide information about program performance. This measure should be replaced with the dollar amount committed to intermodal projects vs. dollar amount planned.
Number of rail projects funded	15	<b>We recommend deletion of this measure.</b> This measure does not provide information about program performance. This measure should be replaced with the dollar amount committed to rail projects vs. dollar amount planned.

## *OPPAGA Recommendations for Additional Measures, Fiscal Year 1999-2000*

Measures	Comments
Number of public transportation projects funded	This measure gives an indication of program workload output. Data is available.
Percentage of runways (at licensed public use airports) in compliance with minimum safety standards	This is a measure of runway safety. Data is available.

## ***OPPAGA Recommendations for Additional Measures, Fiscal Year 1999-2000***

Measures	Comments
<b>Number of containers moved at seaports</b>	The number of cargo containers moved at seaports has steadily increased over the last 10 years.
<b>Dollar value of Florida's waterborne foreign exports and imports</b>	This measure provides information about the economic impact of Florida's ports.
<b>Total passenger mile per gallon for fixed route/demand response transit</b>	This is an environmental efficiency measure of transit systems. Data is available.
<b>Percentage of people requesting special need transportation who did not receive it</b>	This measure indicates how well our public transit systems are meeting the needs of those with special needs. Data is available.
<b>The percentage of projects completed during the fiscal year, that were completed based on original planned completion date</b>	This measure would give an indication of needed transit improvements that were completed on time. Data is available, but collection initially would require extensive resources to aggregate.
<b>Transit ridership as compared to the growth in commuter vehicle miles traveled</b>	This measure would give an indication of transit ridership growth as compared to increases in commuter automobile use. Data for commuter vehicle miles traveled would have to be developed.
<b>The percentage of funded projects completed during the fiscal year that met the projects objectives</b>	This measure would relate to over all success of the project when compared to the achievement of the project's purpose and objectives. Data would need to be developed.
<b>Percentage of all commuters who use public transit during peak times</b>	This measure gives an overall indication of the use of public transit. Data would need to be developed.

Source: FDOT and OPPAGA analysis

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*The Florida Monitor:* <http://www.oppaga.state.fl.us>

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