

# Florida Department of Transportation Office of Inspector General



## Annual Report Fiscal Year 2020-21

Kristofer B. Sullivan  
Inspector General



# INSPECTOR GENERAL SUMMARY

I am pleased to submit our Annual Report on the activities of the Office of Inspector General (OIG) for the fiscal year ended June 30, 2021. Our OIG team continues to work hard to meet our mission of providing independent and objective investigative and audit services that promote accountability, integrity, and efficiency for the Florida Department of Transportation (Department) and its partners.

Our Audit team provides assurance and consulting services to help ensure the efficiency and effectiveness of Department programs. The Audit team produced 25 products, including audits and reviews of contracts, grants, operational processes, and cybersecurity. The team also conducted several engagements, in coordination with the Governor's Chief Inspector General (CIG), regarding topics requested by the Governor. Additionally, the Audit team worked closely with Department functional areas to provide insights into other Department processes and operations.

Our Investigations team works to protect the Department's resources by deterring and detecting activities such as contract fraud and significant employee misconducts. We issued investigative products on topics such as conflict of interest, falsification of records, and employee misconduct. The Investigations teams received 154 inquires/complaints; opened 19 investigations; referred 98 complaints to management; and forwarded 37 complaints to other agencies.

Regarding the fraud and misconduct deterrence aspect of our mission, we conducted fraud awareness briefings statewide, attended by Department employees and partners in the industry. Additionally, we provided awareness presentations to new employees, Professional Engineer Trainees, and to supervisor and management academies.

Due to the impacts of COVID-19, our OIG team continued implementing and maturing new ways of conducting our work, including conducting sworn investigative interviews virtually; converting in-person trainings to webinars; and collaborating in hybrid environments as one team.

The OIG team looks forward to continuing working with Department leadership and statewide partners to help the Department meet its mission of providing a safe transportation system that ensures the mobility of people and goods, enhances economic prosperity, and preserves the quality of environment and communities. As part of this effort, we have implemented an OIG strategic plan which aligns with this mission and the Department's Vital Few: Improve Safety, Enhance Mobility, Inspire Innovation, and Foster Talent.

Respectfully submitted,

DocuSigned by:  
*Kristofer B. Sullivan*  
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Kristofer B. Sullivan

Inspector General

September 24, 2021

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# INTRODUCTION

The Office of Inspector General's (OIG) role is to provide a central point for coordination and responsibility of activities that promote accountability, integrity, and efficiency in the Department.

In summary, the OIG's duties and responsibilities are to:

- Supervise, coordinate, and provide direction for audits, investigations, and management reviews relating to the Department's programs and operations;
- Conduct, supervise, and coordinate other activities funded by the Department to promote economy and efficiency, and to prevent and detect fraud and abuse in programs and operations;
- Keep the Department Secretary and the Chief Inspector General (CIG) informed of fraud, abuse, and deficiencies related to programs and operations funded by the Department and recommend corrective actions as well as report on the corrective actions progress;
- Ensure effective coordination and cooperation between the Auditor General, federal auditors, and other governmental bodies to avoid duplication;
- Ensure an appropriate balance between audit, investigative, and other activities; and
- Comply with the "*Principles and Standards for Offices of Inspector General*," published by the Association of Inspectors General.

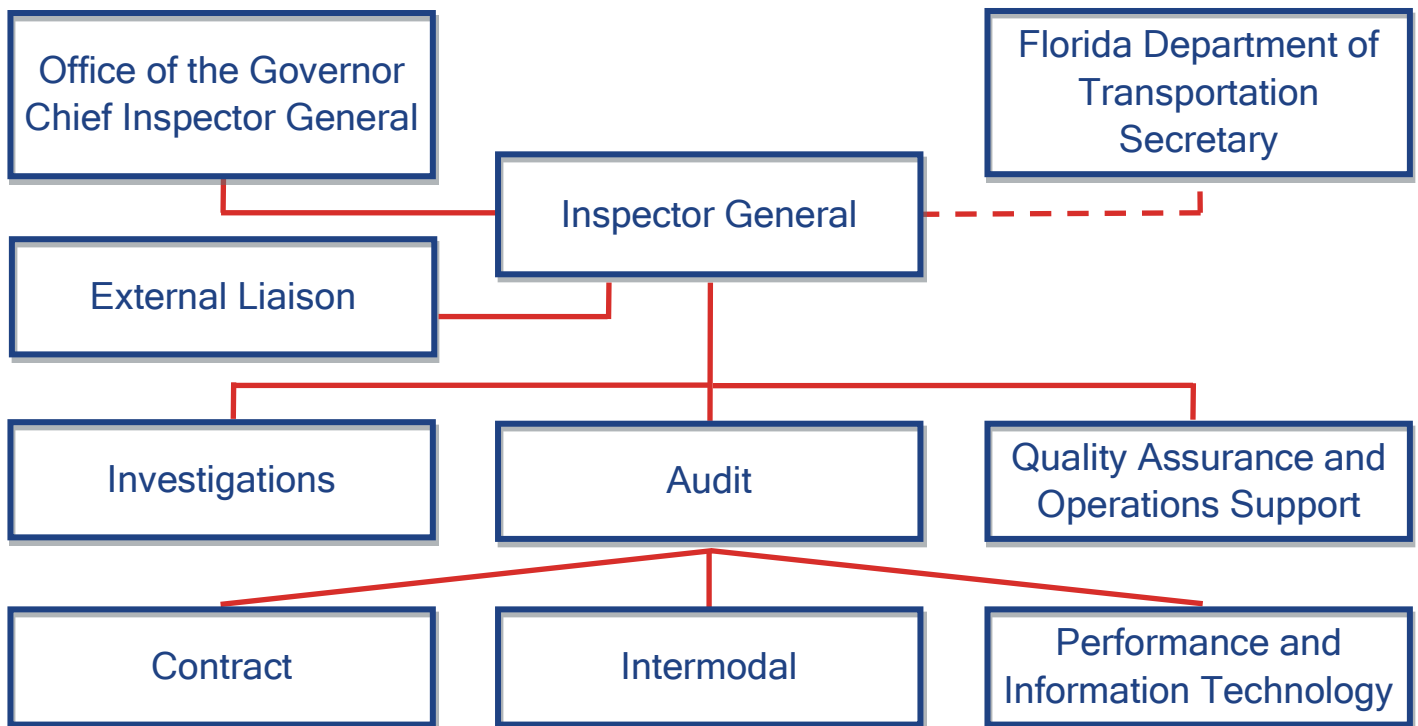
Florida Statutes (F.S.) require an annual report be submitted by September 30<sup>th</sup> of each year describing activities conducted in the prior fiscal year (FY). This report shall include, but is not limited to:

- A description of activities relating to the development, assessment, and validation of performance measures.
- A description of significant abuses and deficiencies relating to the administration of programs and operations of the Department disclosed by investigations, audits, reviews, or other activities during the reporting period.
- A description of the recommendations for corrective action made by the Inspector General during the reporting period with respect to significant problems, abuses, or deficiencies identified.
- The identification of each significant recommendation described in previous annual reports on which corrective action has not been completed.
- A summary of each audit and investigation completed during the reporting period.

# MISSION, VISION, AND VALUES

- ◆ The mission of the Office of Inspector General is to provide independent and objective investigative and audit services that promote accountability, integrity, and efficiency within the Florida Department of Transportation and its partners.
- ◆ Our vision is to be a model Office of Inspector General, leading through a culture of accountability, diversity, and optimal performance.
- ◆ Our values are to be "One" Office of Inspector General, be safe, be professional, be accountable, be effective communicators, be innovative, be technology oriented, be office environment aware, be self-aware.
- ◆ The OIG promotes and contributes to the Department’s Vital Few, which are to Improve Safety, Enhance Mobility, Inspire Innovation, and Foster Talent.

# OIG ORGANIZATIONAL CHART





# AUDIT ACTIVITY

## **25** PRODUCTS ISSUED

**29** Audit Projects Carried Forward from FY 2019-20

**32** New Projects for FY 2020-21

**16** Work Plan Projects Initiated for FY 2020-21

**6** Non-Work Plan Projects Initiated for FY 2020-21

## **3** CHIEF INSPECTOR GENERAL PROJECTS

## **10** EXTERNAL AUDIT ACTIVITIES

## **9** FORENSIC ASSISTANCE ASSIGNMENTS

# INVESTIGATIONS ACTIVITY

**15** Investigations Carried Forward from FY 2019-20

**4** Cases Worked Jointly with Law Enforcement

**23** Cases Completed and Forwarded to Management

**6** Fraud Awareness Briefings Conducted

## **154** COMPLAINTS RECEIVED

**98** Complaints Referred to Management

**37** Complaints Referred to Outside Agencies

**19** Cases Opened

# AUDIT AND INVESTIGATIVE ACTIVITIES COMPLETED

## By District

	Audit Products	Investigation Products	Complaints Referred to Management	Total:
District 1	0	1	3	4
District 2	0	0	5	5
District 3	0	0	4	4
District 4	0	6	7	13
District 5	1	0	3	3
District 6	0	3	5	8
District 7	2	1	3	6
Turnpike Enterprise	1	0	60 <small>*Primarily SunPass</small>	61
Central Office	14	2	8	25
Statewide	7	0	0	7
<b>Total</b>	<b>25</b>	<b>13</b>	<b>98</b>	<b>136</b>

## By Program Area

	Turnpike Enterprise	Engineering & Operations	Finance & Administration	Strategic Development	Transportation Technology	Total:
Audit	1	3	11	7	3	25
Investigations	0	13	0	0	0	13
<b>Total</b>	<b>1</b>	<b>16</b>	<b>11</b>	<b>7</b>	<b>3</b>	<b>38</b>

# OIG 2020-21 STRATEGIC PLAN SUMMARY

*In fiscal year 2020-21, the OIG developed a Strategic Plan consisting of seven strategic areas, four of which directly relate to the Department's Vital Few. The following is a summary of activities in each strategic area.*

## 1. IMPROVE SAFETY

The OIG contributed to the accountability, integrity, and efficiency of the Department's safety initiatives by connecting 19% of our audits, investigations, and management reviews to the safety initiative within the Vital Few, with 15% of those having recommendations based on the results.

We increased the safety knowledge within the OIG by covering safety topics at most office meetings; keeping everyone current during hurricane season with alerts and notifications, monitoring the physical facility for any safety issues, obtaining training from the agency Safety Office, and distributed healthcare (COVID) guidance, preventions, and protections. We conducted a survey of OIG staff members regarding their level of knowledge on safety and ensured all policy and procedures on safety were current and applicable.

## 2. ENHANCE MOBILITY

The OIG contributed to the accountability, integrity, and efficiency of the Department's mobility initiatives by connecting 25% of our audits, investigations, and management reviews to the mobility initiative within the Vital Few, with 27% of those having recommendations based on the results.

The OIG team continues to enhance a cooperative work environment within the OIG to be conducive to the Department's mobility initiatives by having staff be members of the Vital Few Mobility Group, and attending project meetings regarding mobility issues throughout the Department. Staff actively participate on the American Association of State Highway and Transportation Officials (AASHTO) Internal Audit Practices Subcommittee.

## 3. INSPIRE INNOVATION

The OIG contributed to the accountability, integrity, and efficiency of the Department's innovation initiatives by connecting 7% of our audits, investigations, and management reviews to the innovation initiative within the Vital Few, with 8% of those having recommendations based on the results.

The OIG team monitors all internal OIG innovative ideas for status updates and/or decisions, as well as encourages staff to submit ideas. We also encourage staff to actively participate on joint groups/platforms to foster innovative ideas.



# OIG 2020-21 STRATEGIC PLAN SUMMARY

## 4. FOSTER TALENT

The OIG team develops, maintains, enhances, and implements plans that encompass the Fostering Talent initiative, which includes attracting, retaining, and training OIG staff. Through brainstorming and soliciting innovative ideas we have identified and implemented numerous initiatives including changes to position advertising, teambuilding opportunities, staff recognition, and staff onboarding. Additionally, we recently implemented an internal OIG Mentoring Program.

## 5. OBTAIN OPTIMAL PERFORMANCE

The OIG strives to optimize our performance, we do this by meeting standards and continuously improving quality in our products. This past year we placed additional emphasis on internal process mapping and workflow improvements. We continue to track, review, and adjust project time as needed, and conduct after action reports for lessons learned.

## 6. IMPROVE LEADERSHIP AND PROFESSIONAL GROWTH OPPORTUNITIES

The OIG believes in providing our team with opportunities for professional growth and improving our leadership capabilities by encouraging participation in internal and external projects, including Chief Inspector General projects and Department initiatives. A recent internal survey of OIG staff, 92% responded they have opportunities for professional growth.

## 7. ENHANCE INTERNAL AND EXTERNAL COMMUNICATIONS

The OIG team works to continuously improve internal and external OIG communications by: meeting regularly with executive staff on project status; developing new awareness communications in the form of electronic post cards, meet and greet videos, and awareness briefings; working with other agencies such as the Auditor General and the Office of Program Policy Analysis and Government Accountability (OPPAGA); and conducting internal training.

# AUDIT

*The Audit Section's mission is to promote integrity, accountability, and process improvement by providing objective, timely, and value-added audit services.*

## Duties and Responsibilities

The Audit Section provides independent appraisals of the performance of Department programs and processes, including the appraisal of management's performance in meeting the Department's information needs while safeguarding its resources. Ensures costs proposed and charged to the Department through contracts and agreements with external entities are accurate, reasonable and comply with applicable federal and state procurement regulations. The Audit Section follows the International Standards for the Professional Practice of Internal Auditing as published by the Institute of Internal Auditors, Inc., or, where appropriate, in accordance with Generally Accepted Government Auditing Standards. (GAGAS)

The Audit Section is comprised of the following units:

### **Contract Audit Unit**

Contract Audit performs audits, examinations, reviews to include agreed upon procedures and special analyses of contracts and agreements between the Department and external entities to ensure costs proposed and charged to the Department by consultants, contractors and other external groups are accurate, reasonable and comply with applicable federal and state regulations.

### **Intermodal Audit Unit**

Intermodal Audit performs audits and reviews to determine the allowability of costs associated with various activities including agreements between the Department and railroads, authorities, public transportation entities and utilities companies. Engagements related to rail labor additive rates and invoices; transportation, expressway and bridge authorities; seaport, airport and transit grants; utility relocation costs; indirect cost allocation and fringe benefit rates and various accounting services are performed by Intermodal Audit.

### **Performance and Information Technology Audit Unit**

Performance and Information Technology Audit conducts performance audits and management reviews of organizational units, programs, activities and functions in accordance with applicable professional standards. The term performance audit is used generically to include work classified as program evaluations, program effectiveness and results audits, economy and efficiency audits, operational audits and value-for-money audits. The work of Performance and Information Technology Audit consists of performance audits, financial audits, performance measures assessment, risk assessment, information technology audits, computer forensic reviews, and data mining.

# AUDIT

## Audit Products by Program Area

### Turnpike Enterprise

#### 20P-018, Computer Security Incident Response Team (CSIRT) Reporting – Tolls Operations Division

The purpose of this engagement was to evaluate established policies and procedures to ensure compliance with pertinent State Statutes, Rules, and Department procedural documents, to ensure the Tolls Operations Computer Security Incident Response Team (SIRT) is prepared to respond to computer security incidents, and to ensure the Tolls SIRT is appropriately responding to computer security incidents as they occur.

### Engineering & Operations



#### 19C-2001, Push-Button Contracts

The purpose of this engagement was to determine if the scope of Push-Button contracts is being written in accordance with available Department criteria regarding the purpose of these contracts; and task work orders issued on active Push-Button contracts comply with the original scope of the contract. The results of this engagement can be found [here](#).

#### 20P-001, Local Agency Program

The purpose of this engagement was to determine if the Department has sufficient controls to ensure qualified subrecipients receive federal award funds, and what inconsistencies may exist between Districts. The results of this engagement can be found [here](#).

#### 20P-013, Outdoor Advertising

The purpose of this engagement was to evaluate the Department's Outdoor Advertising program and its adherence to applicable laws, policies, and procedures. The results of this engagement can be found [here](#).

# AUDIT

## Finance & Administration

### 19I-9004, Uniform Grant Guidance (UGG) Compliance

The purpose of this engagement was to conduct a review of the Department's compliance with the UGG regarding the management of federal grant awards. Our primary objective was to determine whether the Department has adequate governance to comply with the UGG requirements. The results of this engagement can be found [here](#).

### 19P-1007, Small Business Self-Certification Program Audit

The purpose of this engagement was to determine if the Business Development Initiative (BDI) approved small businesses (including affiliates) and sub-contractors are correctly reporting revenue to qualify for the BDI program. The results of this engagement can be found [here](#).

### 20C-005, Grennan Fender Hess & Poparad LLP (OM Engineering Services, Inc.) CPA Workpaper Review



The purpose of this engagement was to review Grennan Fender Hess & Poparad, LLP's working papers prepared for the audit of OM's Statement to determine proper accountability of costs within the "Professional Fees" account and determine the proper computation of the Direct Expense Rate for calendar year ending 2018.

### 20C-006, Errors and Omissions (E&O) Consultant Cost Classification

The purpose of this engagement was to determine how Architectural and Engineering (A/E) firms classified and recorded E&O claim settlement payments made to the Department in their accounting systems; and whether the E&O claim settlement payments were included in the firms' audited overhead rates.



### 20C-007, Brimmer, Burek & Keelan, LLP Limited CPA Workpaper Review (Arehna Engineering, Inc. and H2R Corporation)

The purpose of this engagement was to review Brimmer, Burek & Keelan, LLP's working papers prepared for the audit of InNovo, H2R, and Arehna's Statement to determine if the firms accounted for premium overtime in accordance with the Department's governing directives and if the CPA adequately tested premium overtime costs. We also determined if the Direct Expense Rate and published Fee Schedule was supported by the underlying books and records and complied with the Department's governing directives.

# AUDIT

## Finance & Administration (Continued)

20C-009, CliftonLarsonAllen LLP Cognizant Review - CY 19 of TLP Engineering Consultants, Inc.  
 20C-012, D.L. Purvine, CPA, PLLC Cognizant Review - CY 19 of Wantman Group, Inc.  
 20C-014, Carr, Riggs, & Ingram, LLC Cognizant Review - CY 19 of GAI Consultants, Inc.  
 21C-001, Squar Milner LLP Cognizant Review - CY 19 of Atkins North America, Inc.

The purpose of these engagements was to determine whether the Indirect Cost Rate Audit conducted by the auditee was conducted in accordance with applicable auditing standards; and whether the Indirect Cost Rate Audit conducted by the auditee provides reasonable assurance the indirect cost rates are reasonable, allocable, and in compliance with applicable laws, rules, and regulations.

### 21I-004, Department FY 2021-22 Indirect Rate



At the request of the Office of Comptroller, the Department's OIG reviewed the Department's proposed indirect cost allocation rates for FY 2021-22. The OIG has traditionally performed this examination prior to the Department's submission of the proposed rates to the Federal Highway Administration for approval. The results of this engagement can be found [here](#).

## Strategic Development

### 19I-9002, Hillsborough Metropolitan Planning Organization (MPO)

The purpose of this engagement was to evaluate the MPO's organizational structure and its cost allocation methodology. The results of this engagement can be found [here](#).



### 19I-9003, Master University Agreements

The purpose of this engagement was to evaluate governance and risk management over the Master University Agreements process by assessing the stability and reliability of its infrastructure, the design and operating effectiveness of its governance, and its internal control environment. The results of this engagement can be found [here](#).



# AUDIT

## Strategic Development (Continued)

### 20I-002, Ocala/Marion Transportation Planning Organization (TPO)

The OIG conducted an audit of the Ocala/Marion TPO, a District Five subrecipient of the Department, to evaluate the governance structure and associated fiscal financial management processes. This audit was conducted as a result of our annual risk assessment and work plan. The results of this engagement can be found [here](#).



### 20I-006, Pasco County Metropolitan Planning Organization (MPO)



The purpose of this engagement was to determine if the Pasco County MPO was implementing Department financial management processes, in accordance with the MPO agreement and federal and state statutes. The results of this engagement can be found [here](#).

### 20I-008, CSXT 2019 Fringe/Indirect Rate

The purpose of this engagement was to determine whether CSXT's FY 2019 indirect rates were reasonable, allowable, and adequately supported, and supporting records and procedures were transparent and readily understandable. The results of this engagement can be found [here](#).

### 20P-007, Transportation Capital Improvement Program (TransCIP) 2.0 Access Controls

The purpose of this engagement was to determine whether there is a detailed, up-to-date, and signed System Security Plan for the TransCIP 2.0 system, and whether there are adequate TransCIP access controls (initial access, access changes, and removal of terminated accesses).

### 21I-003, Florida East Coast Railway (FEC) 2019 Indirect Rates

The purpose of this engagement was to determine whether FEC's calendar year 2019 indirect rates are reasonable, allocable, and based on allowable costs; and supported by transparent and understandable records. The results of this engagement can be found [here](#).



# AUDIT

## Transportation Technology

### 20P-002, District Remote Servers Infrastructure



The purpose of this engagement was to determine whether the infrastructure and hardware processes and practices in place are properly managed and functioning to safeguard the Department's Information Technology assets in accordance with applicable laws, criteria, procedures, and relevant industry best practices.

### 20P-004, Department Payment Card Industry (PCI) Environment Review

We conducted a review of the Department's PCI Data Security Standards environment to identify inherent and residual risks, as well as to provide recommended compensating controls. The review included the Permit Application System (PAS) and the One Stop Permit applications. This review specifically excluded payment card services associated with SunRail and SunPass.

### 20P-019, Office of Information Technology (OIT) System Security Plans

The purpose of this engagement was to evaluate the efficiency and effectiveness of the Department's current System Security Plan processes and to determine compliance with applicable Florida Cybersecurity Standards.



# CHIEF INSPECTOR GENERAL PROJECTS

*During fiscal year 2020-21 the FDOT OIG provided resources in support of the following Office of the Chief Inspector General (OCIG) projects.*

## Department of Economic Opportunity Reemployment Assistance system called CONNECT

On May 4, 2020, at the request of Governor DeSantis, the Office of the Chief Inspector General initiated a review of the Department of Economic Opportunity's CONNECT system, Florida's Reemployment Assistance Claims and Benefits Information System. This review focused on areas including procurement, costs, contracts, and amendments; project failures; audits; system design, testing, scalability, and capacity; regulatory issues; and current issues. The final report was issued April 6, 2021.

## Office of the Governor Executive Order Number 20-44

On February 20, 2020, Governor DeSantis directed in pertinent part all executive agencies to submit to the Office of the Governor within a specified timeframe "a list of: (a) all entities named in statute with which the agency must form a sole-source, public-private agreement; and (b) all entities that, through contract or other agreement with the State, annually receive 50% or more of their budget from the State or from a combination of State and Federal funds." Governor DeSantis further directed that each agency, following submission of the above and within a specified timeframe, "obtain and review copies of the IRS Form 990 and other documentation for each listed entity showing total compensation to include salary, bonuses, cashed-in leave, cash equivalents, severance pay, retirement benefits, deferred compensation, real-property gifts, and any other payout for all members of the listed contractors' executive leadership teams for the past year. If the compensation totals exceed limits set forth in federal or state law and regulations, the agency shall refer the matter to the OCIG for investigation and appropriate action." Additionally, the order directed each executive agency to "verify compliance with the Florida Single Audit Act and develop, for submission to the OCIG, an appropriate corrective action plan for non-compliance or any issues noted, and a timeline for completion of the corrective action plans." The scope of the OCIG's review considered information provided by executive agencies about entities that met the criteria outlined in the order and the final report was issued June 30, 2021.



## Enhancing Public Trust in Government



# CHIEF INSPECTOR GENERAL PROJECTS

## Florida Cybersecurity Task Force

In 2019, Governor DeSantis signed House Bill 5301, which established the Florida Cybersecurity Task Force (Task Force). The members of the Task Force were leaders across the state and included the Chief Inspector General. The Task Force's purpose was to review and assess the state's cybersecurity infrastructure, governance, and operations.

## The FDOT OIG also supported the OCIG efforts in

Enterprise Cybersecurity Audit Risk Assessment; 2021 House Bill 1079 Implementation; Pandemic Fund Risk Readiness Reviews; Florida Inspectors General Website (FloridaOIG.com); and Whistleblower communication materials.



# SIGNIFICANT AUDIT FINDINGS AND RECOMMENDATIONS

*Statute requires a description of the recommendations for corrective action made by the Inspector General during the reporting period with respect to significant problems, abuses, or deficiencies identified. The statute also requires the identification of each significant recommendation described in previous annual reports on which corrective action has not been completed.*

*No findings and recommendations issued by the OIG during FY 2020-21 were determined to be significant under Section 20.055(8)(c)(3), Florida Statutes (F.S.).*

*The following corrective actions have not yet been completed for significant recommendations reported in previous annual reports in accordance with Section 20.055(8)(c)(4), F.S.:*

## 18I-9001, Metropolitan Planning Organization (MPO) Program

3/8/2019

**Finding:** It was determined the Office of Policy Planning (OPP) had allowed the MPOs to direct bill indirect costs without obtaining authorization from the Federal Highway Administration (FHWA). The OIG acknowledged OPP was involved in an ongoing discussion with FHWA to determine the proper method for the indirect cost treatment by MPOs.

**Recommendation:** It was recommended the Director of OPP continue to work to determine an appropriate treatment of indirect costs utilized by the MPOs.

Upon final determination of the indirect cost treatment, the OIG recommended the Director of OPP ensure additional training and guidance is provided to the MPO Liaisons regarding proper monitoring duties for the MPOs' indirect costs.

**Update:** The OPP continues to progress towards goal of participating in the Consolidated Planning Grant program for jointly managing FHWA and Federal Transit Administration (FTA) planning funds, thereby simplifying compliance requirements for MPOs concerning indirect rates. A key breakthrough occurred with approval to transition FTA 5305(d) transit funds from the use of cash to toll road credits to meet match requirements, removing certain technical obstacles in the accounting for these funds. OPP continues to coordinate with the Public Transit Office (PTO), Office of Work Program (OWP), FTA, FHWA, and the MPO Advisory Council to achieve participation by the beginning of the next biennial Unified Planning Work Program (UPWP) cycle on July 1, 2022.

**Estimated Completion: 7/1/2022**





# EXTERNAL ACTIVITIES

## External Audits

Section 20.055(2)(g), Florida Statutes, describes the inspector general's role in external audits to "Ensure effective coordination and cooperation between the Auditor General, federal auditors, and other governmental bodies with a view toward avoiding duplication." During the fiscal year, we coordinated, facilitated, and/or monitored 10 external agency audits or reviews. The Auditor General released one report concerning the Department:

- 2021-182 State of Florida – Compliance and Internal Controls Over Financial Reporting and Federal Awards FYE 06/30/2020

## Six-Month Updates

Section 20.055(6)(h), Florida Statutes, requires "The inspector general shall monitor the implementation of the state agency's response to any report on the state agency issued by the Auditor General or by the Office of Program Policy Analysis and Government Accountability." We provided the statutorily mandated six-month update for the following Auditor General audit, which was filed with the Joint Legislative Auditing Committee, and submitted copies to the Governor's Chief Inspector General and the Department of Transportation's Secretary:

- 2020-170 State of Florida – Compliance and Internal Controls Over Financial Reporting and Federal Awards



# ANNUAL AUDIT RISK ASSESSMENT AND WORK PLAN

Section 20.055(6)(i), Florida Statutes, and professional audit standards, require the OIG to develop risk-based, long-term, and annual audit plans, which consider resources and input from the Department's senior management.

We used The Institute of Internal Auditors' Research Foundation's 8-step assessing risk process to develop our methodology. We defined 30 key Department functions as our auditable units.

We surveyed OIG staff and Department management, including Assistant Secretaries, District Secretaries, the Chief of Staff, and Functional Managers. They identified major risks, potential audit topics, and any concerns they had regarding fraud, waste, abuse, or potential wrongdoing in the Department. We discussed the impact, likelihood, and risk type of each topic submitted. The following risk factors were also considered to assist in prioritizing topics:

- Changes in leadership;
- New governing processes; and
- New information technology systems.

We presented the potential audit topics to the Department's Secretary for final review and feedback.

The **2021-22 Work Plan** was developed from the risk assessment topics with resources dedicated to auditing Department processes, contractor and consultant contracts, intermodal grant programs, and examining federal reimbursement rates. Additionally, we allocated a small percent for the Chief Inspector General's enterprise-wide project requests and 20 percent for Department management requests. Our 2021-22 Work Plan is comprised of 63 auditable topics.

The image shows the cover page of the 'OIG Risk Assessment and Work Plan, Fiscal Year 2021-22'. The document is from the Florida Department of Transportation, Office of Inspector General, Kristofer B. Sullivan. It includes an executive summary and submission details.

**FDOT** Florida Department of TRANSPORTATION

Office of Inspector General  
Kristofer B. Sullivan, Inspector General

OIG Risk Assessment and Work Plan, Fiscal Year 2021-22 July 30, 2021

**Executive Summary**

We are pleased to present the Florida Department of Transportation (Department) Office of Inspector General's (OIG) Annual Risk Assessment and Work Plan results for fiscal year (FY) 2021-22.

Our Work Plan is risk-based to provide broad coverage of Department programs, systems, and controls. The OIG's risk analysis is based on input from the Secretary, Assistant Secretaries, District Secretaries, Chief of Staff, and Functional Managers.

The activities outlined in our Work Plan address the Department's major operations and optimize the use of our resources. We retain approximately 20 percent of our hours for Department projects that may be requested during the year. We also allocated a small percentage of our audit resources for projects that may be requested by the Governor's Chief Inspector General (CIG) for projects with enterprise-wide focus.

Submitted by: Kristofer B. Sullivan Date: 7/30/2021 1:34 PM EDT  
Kristofer B. Sullivan, Inspector General

Approved by: Kevin J. Thibault Date: 8/4/2021 1:19 AM EDT  
Kevin J. Thibault, Secretary

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# INVESTIGATIONS

*The Investigations Section's mission is to deter, detect, and investigate crimes or misconduct impacting the Department.*

## Duties and Responsibilities

The Investigations Section investigates Department employees, contractors, vendors, and/or the public who attempt to gain a benefit for which they are not entitled. The Investigations Section operates in accordance with the Association of Inspectors General *Principles and Standards for Offices of Inspector General*, accreditation standards established by the Florida Commission for Law Enforcement Accreditation, and works closely with law enforcement partners to accomplish its mission.

The Investigations Section's duties and responsibilities are to:

- Receive complaints and coordinate activities of the Department in accordance with the Whistle-blower's Act pursuant to Sections 112.3187-112.31895, Florida Statutes.
- Receive and consider complaints that do not meet the criteria for an investigation under the Whistle-blower's Act and conduct, supervise, or coordinate such inquiries, investigations, or reviews as the Inspector General deems necessary.
- Report expeditiously to the Florida Department of Law Enforcement or other law enforcement agencies when the Inspector General has reasonable grounds to believe there has been a violation of criminal law.
- Conduct investigations and other inquiries free of actual or perceived impairment to the independence of the Inspector General or the Office of Inspector General, including freedom from interference with investigations, timely access to records, and other sources of information.
- Submit final reports of investigations timely to the Governor's Chief Inspector General and Florida Department of Transportation's Secretary.

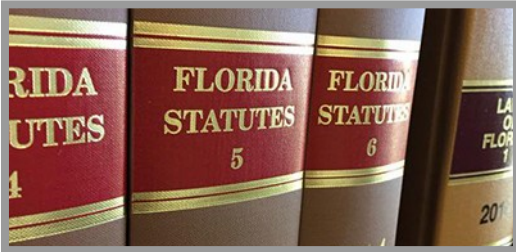




# INVESTIGATIONS

## Investigation Products by Program Area

### Engineering & Operations



#### 150-19192, Allegations of Conflict of Interest by Department Contractors, Central Office

On October 3, 2019, the OIG received a complaint wherein a Department employee expressed concerns regarding a possible conflict of interest by two retired Department employees who subsequently went to work as consultants for a Department contractor. The employee alleged the former employees were not qualified for their new positions, and that one of the employees was in violation of Florida Statute 112.3185(5) by earning more money working for the contractor during their first year of employment than they made while working at the Department. Additionally, it was alleged that the former employee mismanaged Federal funds. The OIG found **no evidence** to support the allegations against the former employees. As such, this investigation was administratively **closed**.

#### 150-19190, Allegations of Falsification of Documents by a Department Contractor, District 4

The OIG received a complaint wherein it was alleged that a contractor doing business with the Department submitted false Certifications of Disbursement of Previous Periodic Payment to Subcontractors (Certifications) to the Department and was aware they owed money to subcontractors, but did not list them as an exception. Based on testimony provided by witnesses, records reviewed, and acknowledgement by the contractor, the OIG **determined** four false Certification submissions were submitted to the Department.

#### 150-20077, Allegations of Misconduct by a Department Contractor, District 4

The OIG received a complaint wherein the complainant alleged various discrepancies with Maintenance Rating Program (MRP) scores on a maintenance contract. Specifically, the complainant alleged a former employee of a District maintenance contractor was able to access the Department's secured VPN to locate MRP predetermined data sets before the Department released the information. Based on the interviews conducted and records reviewed, the OIG found **no evidence** to support the allegation presented in the complaint.



# INVESTIGATIONS

## Engineering & Operations

### 152-19200, Allegations of Conflict of Interest by a Department Employee, District 6

The OIG received an anonymous complaint wherein the complainant expressed concerns regarding a conflict of interest on the part of a Department employee. Specifically, it was alleged that on two separate occasions, the employee accepted a meal paid for by a consultant whose company contracts with the Department, and accepted a meal paid for by a subordinate employee. It was further alleged the companies and the employee were shown favoritism in return for the meals.



The OIG was unable to determine conclusively that the employee accepted a meal from one of the consultants; however, it was **proved** the employee accepted a meal paid for by the second consultant. There was **no evidence found** to support that the employee showed any favoritism to the companies or the subordinate employee.

### 152-20012, Allegations of Contract Tampering, District 1

The OIG received an anonymous complaint wherein the complainant alleged that Department employees had shown disregard for Section 838.22 of the Florida Statutes and directly tampered with a contract selection process. According to the complainant, one of the employees was promised employment with a Department contractor contingent upon the contractor winning work with the District. The complainant also alleged this employee directed another Department contractor to add a contractor to a contract. Additionally, the complainant alleged the Department influenced a procurement process by helping define a requirement to preclude other consultants from being able to compete fairly for the contract. Based on the interviews conducted and records reviewed, the OIG **found no evidence** to support the allegations and this investigation was **administratively closed**.





# INVESTIGATIONS

## Engineering & Operations (Continued)

### 152-20021, Allegations of Misuse of Department Resources and Purchase Card, District 4

The OIG received a complaint wherein allegations of misconduct on the part of a Department employee was received, to include instances of theft, Purchasing Card (P-Card) misuse, and utilizing Department resources for personal gain. Based on the interviews conducted, and the subject's admission, the allegations that the employee used Department resources for personal use were **proved**. Further, based on interviews conducted and the subject's admission, the allegations that the employee used Department resources for personal use and used a P-Card to make personal purchases were **proved**.



### 152-20030, Allegations of Misconduct by a Department Employee, District 6

The OIG received an anonymous complaint wherein the complainant alleged that a Department employee was issuing Final Acceptance on Department contracts prior to project completion. Additionally, it was alleged that another Department employee was allowing the Department to pay for a consultant's company vehicle. Based on the interviews conducted and records reviewed, the OIG **found no evidence** to support the allegations presented in the complaint against the employees.

### 152-20035, Allegations of Falsification of Documents by a Department Contractor, District 4



The OIG received a complaint wherein the complainant stated they were a subcontractor on a large FDOT project, and that the contractor and the Construction Engineering Inspector (CEI) were involved in falsifying invoices and reports. Specifically, the complainant reported alleged falsified video pipe inspections, and falsified invoices created by the prime contractor. While the OIG found the video pipe inspections were completed and documented appropriately, there were **discrepancies** noted regarding the payment of subcontractors on this project. Observations by the OIG were **provided to management** for informational purposes.

# INVESTIGATIONS

## Engineering & Operations (Continued)

### 152-20073, Allegations of Misuse of Department Resources, District 4



The OIG received an anonymous complaint which alleged various acts of misconduct on the part of Department employees to include the misuse of a Department vehicle, sabotaging Department equipment, and the striking of an employee with equipment. Based on the interviews conducted and records reviewed, the OIG found **no evidence** to support the allegations.

### 152-20088, Allegations of False Document Submission by a Department Contractor, District 6

The OIG received a complaint wherein the complainant alleged that a current consultant employee falsified a timesheet submitted to the Department. Based on records reviewed, and interviews conducted, it was **proved** that the consultant employee falsified a timesheet submitted to the Department by claiming hours worked when not present at work.

### 152-20090, Allegations of a Conflict of Interest by a Department Employee, District 7

The OIG received a complaint wherein an anonymous complainant alleged that a now former Department employee was either directly or indirectly involved in the selection of contracts awarded to their current employer while employed at the Department. Based on the interviews conducted and records reviewed, the OIG found **no evidence** to support the allegation.

### 152-20092, Allegations of Misconduct by a Department Employee, District 4

The OIG received a complaint wherein it was alleged that a Department employee attempted to tamper with their random drug screening results by having another employee provide the sample submitted.

The OIG reviewed documents and conducted interviews. Based on interviews conducted and the employee's admission, it was **proved** that the employee submitted a "synthetic" sample for their random drug test. Based on interviews conducted, it was **disproved** that another employee provided the sample that was submitted for screening.





# INVESTIGATIONS

## Engineering & Operations (Continued)

### 152-21025, Allegations of Misconduct by a Department Employee, Central Office

The OIG received a complaint forwarded from the Florida Highway Patrol wherein it was alleged that a Department employee attempted to fraudulently obtain payment for a Uniform Commercial Citation from an individual who had received a citation. The OIG conducted interviews and reviewed documents to include citation and related documents, as well as Department telephone records, and determined that neither the employee, or any other Department employee or representative, contacted the complainant in attempt to obtain payment. Accordingly, the allegations were disproved and this case was **closed**.



# OIG AWARENESS OPPORTUNITIES

The OIG makes a concerted effort throughout the year to communicate and educate Department employees, consultants, and the public about the Office of Inspector General and its duties and responsibilities. We do this by:

- Presenting Fraud Awareness Briefings at different locations throughout the state.
- Hosting the Department Professional Engineer (PE) Training Program.
- Presenting at the New Employee Orientation briefings.
- Communicating through the Vital Few post cards and meet and greet videos.
- And communicating our progress with updates from our own OIG Strategic Plan.



The mission of the Office of Inspector General (OIG) is to provide independent and objective investigative and audit services that promote accountability, integrity, and efficiency within the Florida Department of Transportation and its partners.

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The OIG achieves this mission through three teams: Investigations, Audits, and Quality Assurance and Operations Support. These teams' responsibilities include activities relating to investigating allegations of fraud, waste, abuse, and misconduct concerning department employees, consultants, contractors and other entities doing business with the department. The OIG is also responsible for reviewing and evaluating internal controls concerning fiscal accountability; conducting financial, compliance, and performance audits and management reviews; and ensuring these investigations and audits comply with all statutory, professional, and office standards. These actions embrace innovative methods to work more efficiently and support the department's Vital Few.



## Number of Attendees

Fraud Awareness Briefings (Virtual sessions)	643
New Employee Orientation (CO only)	22
Supervisor's Academy	13
Construction Academy	62
Professional Engineer Training Program CO Phase	19
<b>Total Attendees:</b>	<b>759</b>



# QUALITY ASSURANCE AND OPERATIONS SUPPORT

*The mission of the Quality Assurance and Operations Support Section is to ensure quality audit and investigative products that fully comply with all professional and office standards and support the operations of the Office of Inspector General.*

The Quality Assurance and Operations Support Section's duties and responsibilities are to:

- Ensure OIG policies and procedures are current and designed to conform with professional auditing standards.
- Perform internal assessments in accordance with professional auditing standards and OIG procedures, such as report reviews and quality assurance reviews of audit working papers.
- Conduct an annual risk assessment, develop the annual audit work plan, and prepare the annual report.
- Maintain all daily OIG operational functions including human resources, facilities management, travel, and inventory.
- Plan and maintain the OIG's budget and segregate duties for Purchasing Card (P-card) transactions and approval.
- Maintain the OIG's information technology infrastructure, such as SharePoint and Internet sites.
- Monitor staff training requirements and completion dates in compliance with professional standards and review training reports monthly.
- Maintains existing OIG awareness and communication tools (e.g. Brochures, Presentations, Surveys, Trainings, etc.).
- Administer and maintain the OIG's workforce management software, TeamMate, for audit projects, budget hours, investigative cost recovery on cases, and generate information for reports to management and the Chief Inspector General.

**Total Audit Workpaper Quality Assurance Reviews: 24**

Review of Audit Products: **33**

Review of Investigations Products: **17**

**Total Number of Reviews for all Products: 50**



# QUALITY ASSURANCE AND OPERATIONS SUPPORT

## TRAINING, CERTIFICATIONS, AND AFFILIATIONS

Professional standards require the OIG's staff to be proficient, competent, and collectively possess and apply knowledge, skills, and experience when performing audit and investigative work. Additionally, auditors and investigators should complete Continuing Professional Education (CPE) courses related to their primary responsibilities.

Our auditors adhere to the *Government Auditing Standards* for completing 80 CPE hours in a 2-year period with 24 of those hours being related to government auditing.

Our investigators adhere to the *Principles and Standards for Offices of Inspector General* for completing 40 CPE hours in a 2-year period with 12 of those hours being related to investigations.

The Quality Assurance and Operations Support Section provides oversight of the training program to ensure staff meet the CPE requirements and completed courses are documented adequately. Our internal Procedure No. 450-a10-008, Training and Professional Development, has guidance to identify levels of expertise for meeting organizational requirements, evaluate the training program regularly to assure staff needs are being met and the best training sources are used, and maintain an adequate training fund.

Our staff demonstrates their expertise through certifications and affiliation in professional organizations.



