



# Florida Department of Transportation Office of Inspector General

## 2019-2020 Annual Report

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, 2020. 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 26 products, including audits and reviews of the Continuity of Operations Plan; Big Bend Transit, Inc.; and MTN Resources, LLC. The team conducted an engagement, in coordination with the Governor's Chief Inspector General (CIG), concerning the Florida's Turnpike Enterprise Centralized Customer Service System. Additionally, the Audit team worked closely with Department functional areas to provide insights concerning contracts, grants, and Department processes, which included assistance to the Florida Transportation Commission in compiling information for its Transportation Authority Monitoring and Oversight Fiscal Year 2018 report.

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 contract mismanagement. The Investigations teams received 161 inquires/complaints; opened 22 investigations; referred 105 complaints to management; and forwarded 34 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, our Investigations team provided awareness presentations to new employees in the Central Office.

Due to the impacts of COVID-19 our OIG team transitioned to new ways of conducting our work remotely, including: conducting sworn investigative interviews via Microsoft Teams; transitioning our audit work papers fully into a cloud application; converting in-person trainings to webinars; and collaborating virtually 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 developed an OIG strategic plan which aligns with this mission and the Secretary's Vital Few: Improve Safety, Enhance Mobility, Inspire Innovation, and Foster Talent. A high-level summary is included in the back of this report.

Respectfully submitted,

DocuSigned by:

*Kristofer B. Sullivan*

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Kristofer B. Sullivan  
Inspector General  
September 30, 2020

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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.

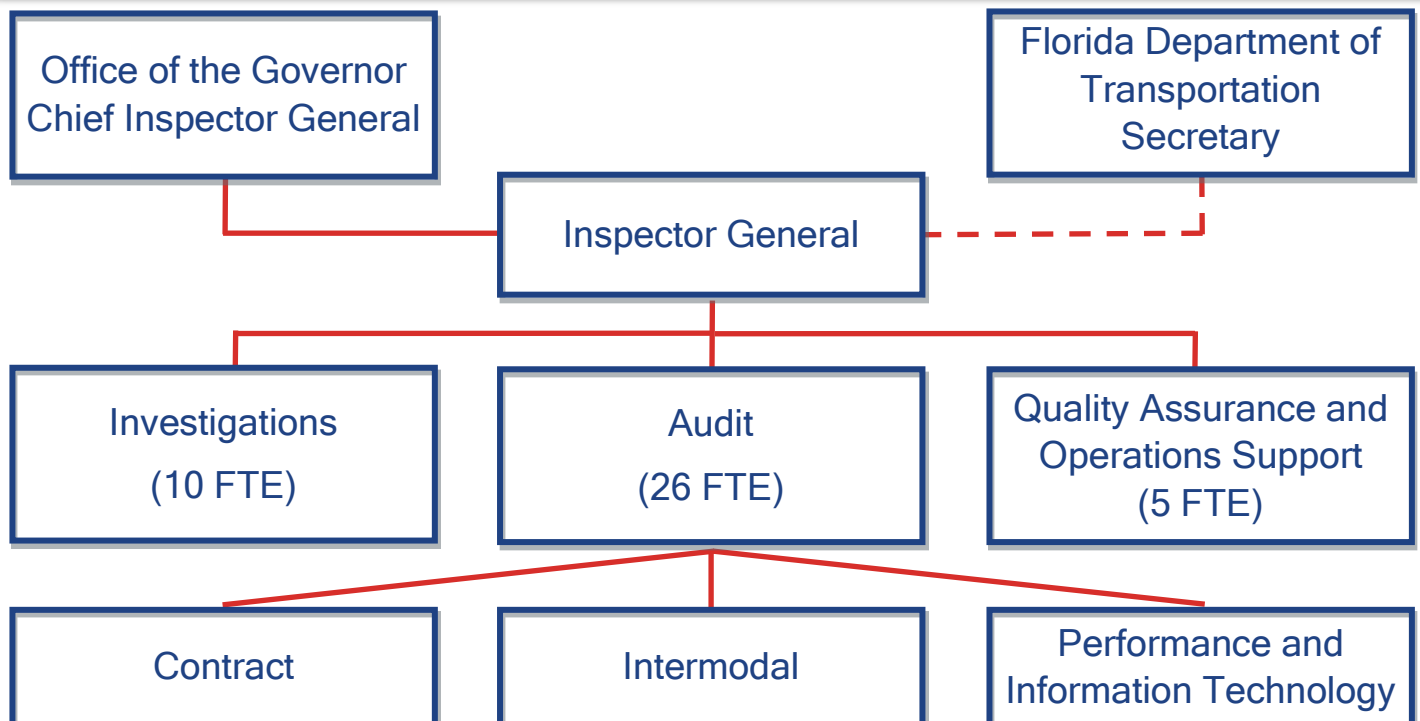
Florida Statutes (F.S.) require an annual report be submitted by September 30<sup>th</sup> of each year describing activities conducted in the prior fiscal year (FY). This report includes, but is not limited to:

- 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 will promote the Department's Vital Few, which are to Improve Safety, Enhance Mobility, Inspire Innovation, and Foster Talent.

## OIG ORGANIZATIONAL CHART



# AUDIT ACTIVITY

## **26** PRODUCTS ISSUED

**25** Audit Projects Carried Forward from FY 2018-19

**39** New Projects for FY 2019-20

**27** Work Plan Projects Initiated for FY 2019-20

**11** Non-Work Plan Projects Initiated for FY 2019-20

## **5** CHIEF INSPECTOR GENERAL PROJECTS

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# INVESTIGATIONS ACTIVITY

**20** Investigations Carried Forward from FY 2018-19

**3** Cases Worked Jointly with Law Enforcement

**27** Cases Completed and Forwarded to Management

**4** Fraud Awareness Briefings Conducted

## **161** COMPLAINTS RECEIVED

**105** Complaints Referred to Management

**34** Complaints Referred to Outside Agencies

**22** Cases Opened

# AUDIT AND INVESTIGATIVE ACTIVITIES COMPLETED

## By District

	Audit Products	Investigation Products	Complaints Referred to Management	Total:
District 1	1	2	9	12
District 2	0	6	4	10
District 3	2	3	4	9
District 4	1	4	12	17
District 5	0	2	5	7
District 6	1	3	4	8
District 7	0	2	4	6
Turnpike Enterprise	2	3	45	50
Central Office	12	6	18	36
Statewide	7	0	0	7
<b>Total</b>	<b>26</b>	<b>31</b>	<b>105</b>	<b>162</b>

## By Program Area

	Executive Office	Engineering & Operations	Finance & Administration	Strategic Development	Transportation Technology	Total:
Audit	4	5	9	5	3	26
Investigations	6	21	1	3	0	31
<b>Total</b>	<b>10</b>	<b>26</b>	<b>10</b>	<b>8</b>	<b>3</b>	<b>57</b>

# AUDIT

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

## Selected Audit Products by Program Area

### Executive Office

#### 19C-6001, Review of MTN Resources, LLC (MTN)



The OIG received an anonymous complaint with 16 allegations related to compliance review services provided by MTN. We initiated a review to determine if any of the activities alleged in the complaint were supported by evidence. To complete this review, we conducted interviews of Department staff, Federal Highway Administration staff, city and county staff, Department consultants, and MTN staff. We reviewed all the allegations with each interviewee, documented their responses, and examined documentation provided, which included District contract files, project construction files, construction claims, correspondence, and MTN's internal financial records. We determined no evidence existed to support the allegations of MTN overcharging the Department for services provided or violating any laws, rules, regulations, Department policies and/or procedures governing compliance reviews.

#### 19I-8001, Florida's Turnpike Enterprise Centralized Customer Service System (CCSS)

Former FDOT Secretary Michael Dew requested the CIG, Executive Office of the Governor, to review the root cause of the Florida's Turnpike Enterprise CCSS Go-Live failures. The CCSS went live on June 11, 2018; however, the system failed to function as expected. The failures affected the SunPass website, SunPass mobile website, SunPass mobile application, IVR functions, and SunPass Plus Airport Parking operations. Similarly, it affected those systems related to the reporting, billing, and financial reconciliation of customer invoices and accounts. This review included an examination of the events surrounding the system failures at Go-Live.



#### 20I-001, Florida Transportation Commission (FTC) Assistance

This engagement was a special project at the request of the FTC. The OIG assisted the FTC in compiling information for its Transportation Authority Monitoring and Oversight Fiscal Year 2018 report.

#### 20P-008, Florida Turnpike Enterprise New Back-Office System (nBOS)

A review of procurement practices was conducted specifically relating to the procurement of the nBOS, which is scheduled to replace the current CCSS.



# AUDIT

## Engineering & Operations

### 18P-1003, Logo Sign Program Audit



The purpose of this engagement was to evaluate the efficiency and effectiveness of the Department's Logo Sign Program and to ensure vendor compliance with contract terms. The results of this engagement can be found [here](#).

### 18P-1005, Continuity of Operations Plan (COOP) Follow-up

The purpose of this engagement was to determine whether the Department has made the recommended revisions and corrections to the previous audit findings and is adequately prepared to execute the Department's COOP.

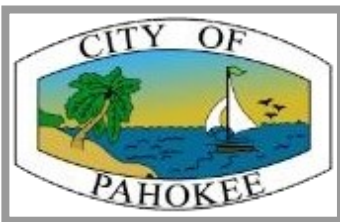
### 19P-1003, Department Fleet Management Program

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



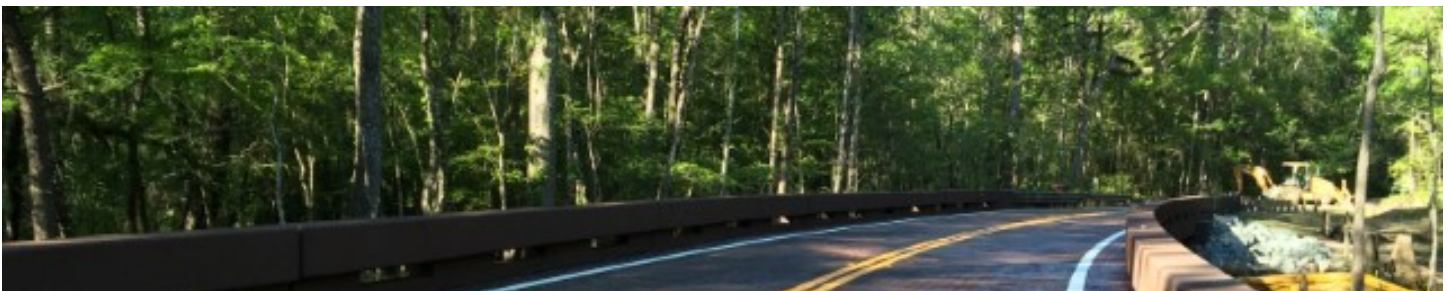
### 19P-1005, Permit Application System (PAS)

The purpose of this engagement was to conduct a review of the automated Permit Application System. Since its implementation, the PAS has undergone several enhancements and improvements and has reached maturity as an application.



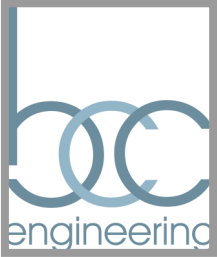
### 20C-004, City of Pahokee (City), Contract ARU42

We conducted a review of Agreement ARU42 (Agreement) between the Department and the City to determine if the amount requested from the City of Pahokee by District Four is correct; and the Agreement allows the Department to request full repayment as a lump sum.



# AUDIT

## Finance & Administration



18C-3006, Jacobs Engineering Group, Inc.  
19C-3001, WSP USA, Inc.  
19C-3002, BCC Engineering, Inc.

The purpose of these engagements was to conduct an analytical review to determine and compare contractually (negotiated) allowed, invoiced, and incurred hours and costs; percentage of total work performed by employees initially proposed for the project; utilization of key qualifying personnel; and compliance with applicable laws, rules, regulations, and procedures.

19C-4001, CPA Workpaper Review – Carr, Riggs & Ingram, LLC (GAI)

20C-001, CPA Workpaper Review – D.L. Purvine, CPA, PLLC (Wantman Group, Inc.)

The purpose of these engagements was to obtain reasonable assurance the Certified Public Accountant (CPA) conducted the indirect cost rate audit of the consulting firm, gathered sufficient evidence, and maintained audit workpapers to support audit conclusions; provided an opinion on the indirect cost rate schedule; and issued a report on internal controls over financial reporting and compliance as required by Generally Accepted Government Auditing Standards (GAGAS). These engagements contained confidential information and did not result in any findings or recommendations.

19C-4002, Cognizant Review – Calendar Year 18 – Squar Milner, LLP

20C-002, Cognizant Review – Calendar Year 18 – CliftonLarsonAllen, LLP

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.



# AUDIT

## Finance & Administration (Continued)

### 20I-003, Review of the Indirect Cost Rate Proposal for Fiscal Year 2020-21

At the request of the Office of Comptroller (OOC), the OIG reviewed the Department's proposed indirect cost allocation rates for fiscal year 2020-21. The OIG has traditionally performed this examination prior to the Department's submission of the proposed rates to the Federal Highway Administration for approval.



### 20P-009, Driver and Vehicle Information Database (DAVID) Attestation

The purpose of this engagement was to perform an evaluation of the Department's Human Resources Office use of the DAVID system. The review was to ensure the Department had adequate internal controls over the personal information in DAVID to protect the data from unauthorized access, distribution, use, modification, or disclosure in accordance with the Data Exchange Memorandum of Understanding with the Florida Department of Highway Safety and Motor Vehicles.

## Strategic Development

### 19I-1002, Florida East Coast (FEC) Railway 2018 Fringe Rate

The purpose of this engagement was to determine whether FEC's calendar year 2018 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](#).



### 19I-1003, CSX Transportation (CSXT) 2018 Fringe/Indirect Rate

The purpose of this engagement was to determine whether CSXT's fiscal year 2018 indirect rates are reasonable, allowable, and adequately supported; and supporting records and procedures are transparent and readily understandable. The results of this engagement can be found [here](#).

# AUDIT

## Strategic Development (Continued)

### 19I-7001, Tri-County Community Council (TCCC)

The purpose of this engagement was to conduct a review of TCCC, a subrecipient of the Department's Transit Office, to evaluate its cost allocation methodology based on federal regulatory requirements and potential applicability to other transit agencies' needs. The results of this engagement can be found [here](#).



### 19I-7002, Big Bend Transit, Inc.

The purpose of this consulting service was to assist the Transit Office in assessing the cost allocation methodology of Big Bend Transit, Inc. and to develop best practices for other state transit agencies.

### 20P-006, Performance Measures for Fiscal Year 2018-19

The purpose of this engagement was to meet the statutory requirement in Section 20.055, Florida Statutes (2019), to assess the validity and reliability of legislatively-approved performance measures and make recommendations for improvements, if needed. The OIG assessed the four performance measures reported in the 2020-21 Department's Long Range Program Plan for fiscal year 2018-19. The results of this engagement can be found [here](#).



# AUDIT

## Transportation Technology

### 18P-5004, Disaster Recovery Plan (DRP)



The OIG initiated an audit of the Department's Information Technology DRP on February 22, 2018, for the purpose of reviewing the following objectives: determining if Central Office complies with statutes and the Service Level Agreement with the Agency for State Technology (AST), pertaining to Central Office's Disaster Recovery planning; determining if Central Office follows appropriate business practices, administrative rules, and standards

in all phases of Disaster Recovery under the Department's purview; and determining whether the Department's Districts follow appropriate business practices, administrative rules, and standards in all phases of Disaster Recovery for the Districts. Due to organizational changes at the AST and the Department's Office of Information Technology contracting with a vendor concerning the DRP, we determined to close this audit.

### 19P-1006, Computer Security Incident Response Team (CSIRT) Follow-Up

The purpose of this engagement was to determine if the Department implemented the corrective actions from the previous enterprise audit findings, to determine if the Department CSIRT procedures are aligned with current rules and regulations, and to determine if CSIRT incidents are being responded to in accordance with the established procedure.

### 19C-5001, Transportation Data and Analytics (TD&A) Contract Review

The purpose of this audit was to address risks, as identified by management, and to determine whether: all active TD&A contracts (at the time of audit) were procured in compliance with applicable laws, rules, regulations, and procedures; Technical Review Committee (TRC) members, the Professional Services Administrator, Selection Committee members, and the Procurement staff involved in the contract acquisition process for all active contracts (at the time of audit) have completed and signed the Conflict of Interest Certification Form; in-house consultants who were TRC members for active contracts (at the time of audit) were employed by firms who submitted a Letter of Interest or Letter of Response for the project; any TRC member for an active contract was also a member of the Selection Committee; and any in-house consultants participated in contract scope development for active Professional Services contracts for which their firm had submitted a Letter of Response. The results of this engagement can be found [here](#).



# SIGNIFICANT AUDIT FINDINGS AND RECOMMENDATIONS

*No findings and recommendations issued by the OIG during FY 2019-20 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:** Ongoing discussions with FHWA have been delayed due to pandemic/vacancies at FHWA. OPP is seeking participation in FHWA/FTA Consolidated Planning Grant program, which would result in waiver of complex indirect rate requirements that are challenging to many MPOs.



# 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 11 external agency audits or reviews. The Auditor General released two reports concerning the Department:

- 2020-40 Department of Transportation—Right-of-Way Relocation Assistance Program—Operational Audit on 10/24/2019
- 2020-170 State of Florida—Compliance and Internal Controls Over Financial Reporting and Federal Awards FYE 06/30/2019—03/25/2020

## 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:

- 2018-189 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.

Our audit universe consisted of 30 auditable Department functions. 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 2020-21 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 2020-21 Work Plan is comprised of 61 auditable topics.



# INVESTIGATIONS

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

## Case Types

The Investigations Section manages several case types, such as substantive investigations, joint investigations, preliminary inquiries, management referrals, and other Department referrals.

## 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

## Cases Completed: Executive Office

### 150-18060, Allegation of Fraudulent Billing Submitted by Department Contractor, District Two

The OIG received information from District management wherein it was reported a Department contractor was being paid for incomplete work on a maintenance contract. The OIG conducted interviews of key personnel, and reviewed relevant documents. The OIG determined there were issues with the initial implementation of the contract by both the contractor and the Department, as well as with the associated work product. While issues with the work product were confirmed, when the issues were discovered, they were corrected pursuant to the terms of the contract. The OIG found no evidence to confirm the Department was paying the contractor for work not completed. Accordingly, this case was categorized as **administratively closed**.



### 152-20029, Falsification of Department Records, Central Office

The OIG received a complaint wherein it was alleged that a Department employee affixed another employee's signature to a document without the employee's knowledge or approval, and requested two Department employees to backdate Department records. During the course of the investigation, the OIG found another instance where the Department employee affixed another employee's signature to a document without the employee's knowledge or approval. Based on documents reviewed, and the employee's admission, it was proved that the employee affixed another employee's signature to the documents without the employee's knowledge or approval. The OIG found no evidence to support the allegation that the employee requested the backdating of Department records.



# INVESTIGATIONS

## Cases Completed: Engineering & Operations



### 150-17097, Allegation of Counterfeit Products on Department Projects, District Six

The OIG was informed of an online news article which reported that a Department contractor placed alleged “counterfeit” delineators that were “substantially inferior in performance... unsafe,” on Florida highways; and further alleged the delineators being used were not produced by the approved vendor. Based on documents reviewed and interviews conducted, the OIG found **no evidence** to support that the products were out of compliance with Department specifications;

therefore, the preliminary inquiry was **closed**.

### 150-18026, Assistance to the United States Attorney’s Office, District Six

The OIG was notified that a pedestrian overpass under construction collapsed. The OIG provided assistance to the United States Attorney's Office-Southern District during their investigation.

### 150-18123, Conflict of Interest in Contract Procurement, Central Office

The OIG received a complaint wherein it was alleged that a Department vendor received preferential treatment and received information about upcoming projects before the projects went out for bid. Based on a review of documents and interviews conducted, the OIG **noted deficiencies** in the appearance of the Department’s objectivity in the contract process involving the vendor, which in turn lent itself to the appearance of preferential treatment. Based on the administrative actions taken to address the issues by the Department, this inquiry was categorized as **administratively closed**.



### 150-19002, Allegations of Bid Rigging on a Department Contract, District Three

The OIG received a complaint from a Department contractor who expressed concerns that two competing contractors may be engaged in bid rigging and/or collusion on a Department maintenance contract. The OIG conducted interviews with the contractors and Department employees regarding the allegations, and reviewed contracts previously let involving the contractors. The OIG **did not find any evidence** to support the allegation of bid rigging and/or collusion on the part of the competing contractors and the case was **closed**.

# INVESTIGATIONS

## Engineering & Operations (Continued)

### 150-19064, Allegation of Consultant Overbilling on a Department Contract, District Six

The OIG received a complaint wherein it was alleged that a Department consultant was fraudulently billing hours to a Department contract. Based on documents reviewed and interviews conducted, the OIG **did not find any evidence** to support fraudulent billing by the consultant. As such, this inquiry was categorized as **administratively closed**.

### 150-19127, Allegation of Fraudulent Solicitation of Funds from Department Vendors, Central Office



The OIG received a complaint wherein it was alleged that person claiming to be a Department employee contacted a Department vendor and attempted to solicit funds for an advertisement to be placed in a directory being created. The OIG determined that the person who contacted the vendor was not a Department employee, nor was

there a directory being created. The OIG contacted other Department vendors, to determine if they had been contacted as well. It was determined that the Department vendor **did not provide funds** to the individual, and no other vendors reported being contacted. Accordingly, the OIG categorized this inquiry as **administratively closed**.

### 150-19131, Allegation of Fraudulent Billing Submitted by Department Contractor, District Five

The OIG received information wherein it was reported that a Department contractor was submitting invoices for work that had not been completed on an Asset Maintenance contract. The OIG conducted a review of the contract and related procurement documents and contractor performance evaluation reports. The OIG **did not find any evidence** to support the allegation of fraudulent billing by the contractor. Additionally, District management was aware of the issues raised, and is continuing to work with the contractor to address the issues. As such, no further action by the OIG is required, and this inquiry has been **administratively closed**.



# INVESTIGATIONS

## Engineering & Operations (Continued)

### 152-17032, Contract Mismanagement and Conflict of Interest, District Two



The OIG received a complaint wherein a Whistle-blower reported various issues related to a Department contract and the related project, which was Final Accepted in 2015. Additionally, the Whistle-blower reported a potential conflict of interest on the part of a (now former) Department employee regarding the procurement of Department contracts. Based on interviews conducted and documents reviewed, the OIG **determined** then-Department leadership inappropriately handled aspects of a Department contract, to include procurement, inspection, and Final Acceptance. The OIG further **determined** a conflict of interest existed regarding the (now former) Department employee regarding the procurement of Department contracts.

We determined that in the instances identified, certain controls as identified in the Department's policies, procedures, manuals, and guidelines were either bypassed or ignored completely. To reduce the risk of future occurrences of these issues, we recommended the following topics for the Secretary of the Department to assign for review and/or implementation: Design-Build Procurement, Weather Day Determinations, Fast Response Contracts, Notice of Intent Documentation, Claim Negotiation and Settlements, Contractor Monthly Pay Estimates, Drainage/Pipe Defects, and Procurement Processes.

### 152-18128, Allegations of Misuse of Public Funds on a Department Project, District Five

The OIG received a written complaint from a citizen who alleged "the misuse of public funds" to construct a roundabout on a Department maintained roadway. The complainant alleged that "false accident numbers" provided to the Department from the local Sheriff's Office led to the funding "for the costly and unnecessary project." The OIG conducted interviews with the complainant as well as Department employees, and reviewed relevant documents associated with the construction of the roundabout. The OIG found **no evidence** to support the complaint that the Department misused public funds to construct a roundabout, or that the project was based on information provided by the local Sheriff's Office. Therefore, this case was **administratively closed**.



# INVESTIGATIONS

## Engineering & Operations (Continued)

### 152-19027, Allegations of Mismanagement on Department Projects, District Two

The OIG received a complaint from a company attempting to bid on Department projects, alleging a lack of oversight and discipline by a Department employee concerning test plans for a product to be used on an upcoming Department project. Based on interviews conducted and documents reviewed, the OIG found no evidence to support the allegations; therefore, the case was **administratively closed**.

### 152-19042, Falsification of Department Documents, District Seven

The OIG received a complaint wherein it was alleged that a Department employee submitted falsified documents related to Department transactions, on at least one occasion, and possibly more. According to the complainant, the employee forged signatures and “cut and paste” a notary seal on documents submitted for Department business. The OIG conducted interviews and reviewed relevant documents, and determined the employee falsified a document related to the transaction. The OIG found no evidence to support that the employee falsified additional documents.



### 152-19054, Misuse of Department Technology Resources, District Four

The OIG received an anonymous complaint wherein it was alleged that a Department consultant misused Department technology resources to obtain protected information to secure Department contracts. According to the complainant, the consultant obtained computer access credentials from a Department employee, and used the credentials to log into the FDOT system. The OIG conducted interviews and reviewed relevant documents, and determined there was no evidence to support the anonymous complaint. Consequently, this inquiry was categorized as **administratively closed**.



# INVESTIGATIONS

## Engineering & Operations (Continued)

### 152-19148, Allegations of Misuse of Department Equipment and Resources, District Three

The OIG received an anonymous complaint wherein it was alleged that a Department employee had committed numerous policy violations to include misuse of Department resources, such as conducting personal business on a Department computer, and using a Department vehicle to travel to their private property. Additionally, the complainant alleged the employee falsified their timesheets. Based on the interviews conducted and the records reviewed, the OIG found **no evidence** to support the allegations. As such, the case was **administratively closed**.

### 152-19169, Allegations of Department Employee Displaying Firearm on Department Project, District Two

The OIG received an anonymous complaint regarding an incident of employee misconduct. According to the complainant, a Department employee brandished a firearm on a Department project. Based on interviews conducted, there was **no evidence** to support the allegation; therefore, the matter was **administratively closed**.



### 152-19185, Allegations of Misuse of Department Equipment and Resources, District Two

The OIG received information from management wherein it was believed a Department employee was conducting personal business on state time, and was utilizing Department equipment, specifically, the employee's assigned Department vehicle, to do their personal business. A review of the Global Positioning System (GPS) data revealed the locations of the Department vehicle were primarily Department business related, with only six occasions that appeared to be non-Department business related. The OIG was subsequently notified that the **employee resigned** from the Department, and as such, determined no additional investigative steps were necessary. The OIG considers the matter **closed**.

### 152-19186, Allegations of Mismanagement of Department Projects, District Seven

The OIG received a complaint wherein it was alleged that a Department employee was directing subordinate staff to carry out tasks that the complainant described as "illegal" to include instructing contractors to perform work on projects outside the scope of an existing project/contract and requesting materials be taken from one project and placed on another project. The OIG found **no evidence** to support the allegations presented by the complainant. Accordingly, this inquiry was categorized as **administratively closed**.

# INVESTIGATIONS

## Engineering & Operations (Continued)

### 164-19102, Allegations of Fraudulent Billing Submitted by Department Contractor, District Four

The OIG received information wherein it was reported that an employee of a Department contractor submitted false timesheets, resulting in incorrect billing to the Department. The OIG **did not find any evidence** to support the allegations; as such, this inquiry was categorized as **administratively closed**.

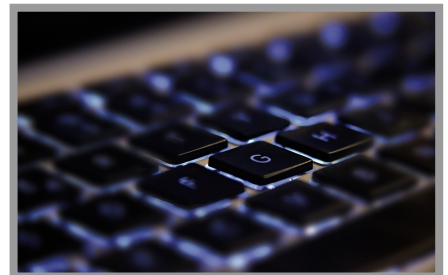
## Strategic Development

### 152-19058, Allegations of Conflict of Interest in Procurement Process, Central Office

The OIG received a complaint wherein an individual expressed concerns regarding a conflict of interest in the selection process for a Department contract. Specifically, the complainant alleged that members of the Technical Review Committee (TRC) were “biased” against them and as a result, did not select their representative company. The OIG reviewed emails and documents related to the procurement of the contract, and interviewed members of the TRC for this contract. The OIG found **no evidence** of impropriety in the procurement process for the contract. As such, this inquiry was **administratively closed**.

### 152-19182, Allegations of Misuse of Department Technology Resources, Central Office

The OIG received correspondence from Department management requesting assistance regarding a possible violation of the Department's Security and Use of Information Technology Resources (SUITR) policy by a Department employee. The OIG conducted interviews of the employee, and performed a forensic examination and analysis of the employee's assigned Department laptop. The OIG found **no evidence** that the employee violated the Department's SUITR policy. Additionally, the employee voluntarily separated from the Department. Accordingly, the OIG considers this matter **closed**.





# INVESTIGATIONS

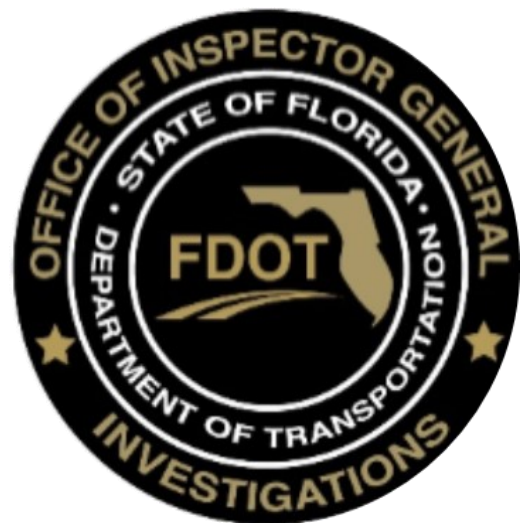
## Fraud Awareness Briefings

**It's Never the Wrong Time to do the Right Thing**

The OIG makes a concerted effort every year to educate Department employees and consultants about acting ethically and with integrity in the performance of their job duties.

We do this by presenting Fraud Awareness Briefings at different locations throughout the state. In the briefings, we discuss the Department's Ethics Policy, Integrity in Government Policy, relevant Florida Statutes, and the many Florida Administrative Codes related to the conduct of state employees and their relationships with regulated entities. During these briefings, we also share real case scenarios to bring the information to life.

In FY 2019-20, the OIG presented 4 briefings to 65 Department employees and partners in the industry.\*



\*Planned briefings were canceled due to COVID-19.

# 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, [Office of Inspector General Examiner](#), 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: 25**

Review of Audit Products: **29**

Review of Investigations Products: **25**

**Total Number of Reviews for all Products: 54**

# 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.



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# OIG 2020-21 STRATEGIC PLAN SUMMARY

## 1. IMPROVE SAFETY

- Increase the accountability, integrity, and efficiency of the Department's safety initiatives.
- Increase safety knowledge within the OIG.

## 2. ENHANCE MOBILITY

- Increase the accountability, integrity, and efficiency of the Department's mobility initiatives.
- Create and enhance a cooperative work environment within the OIG to be conducive to the Department's mobility initiatives.

## 3. INSPIRE INNOVATION

- Increase the accountability, integrity, and efficiency of the Department's innovation initiatives.
- Create and enhance a cooperative work environment within the OIG to be conducive to innovative thinking.

## 4. FOSTER TALENT

- Develop, maintain, enhance, and implement plans and initiatives that encompass Fostering Talent (Attract, Retain, and Train).

## 5. OBTAIN OPTIMAL PERFORMANCE

- Reduce project turnaround time, while meeting standards and continuously improving quality.

## 6. IMPROVE LEADERSHIP AND PROFESSIONAL GROWTH OPPORTUNITIES

- Improve overall leadership opportunities.
- Improve opportunities for professional growth.

## 7. ENHANCE INTERNAL AND EXTERNAL COMMUNICATIONS

- Improve internal OIG communications.
- Enhance external OIG awareness and communications.