

Memorandum



Date: September 24, 2024

To: Robert Wolfarth, Chair
Citizens' Independent Transportation Trust

Javier A. Betancourt, Executive Director
Office of the Citizens' Independent Transportation Trust

Eulois Cleckley, Director and Chief Executive Officer
Department of Transportation and Public Works

OCIT

From: Ofelia Tamayo, Director
Audit and Management Services Department

Subject: Final Audit Report – Department of Transportation and Public Works, Citizens' Independent Transportation Trust and Office of the Citizens' Independent Transportation Trust

PURPOSE AND SCOPE

We performed a review of the Citizens' Independent Transportation Trust (CITT) comprised of 15 board members, and the Office of the Citizens' Independent Transportation Trust (OCITT) management, the latter which is funded by almost 1% annually or \$2.6 million of the Charter County Transit System Surtax (Surtax). We focused primarily on the efficiency, effectiveness, and adherence to the Surtax funding requirements by reviewing policies, procedures, and expenses for the two Fiscal Years (FYs) ended September 30, 2023. As a significant recipient of Surtax funding, we also reviewed the monitoring procedures and controls of Miami-Dade County's (County) Department of Transportation and Public Works (DTPW) by the CITT and OCITT.

BACKGROUND

The CITT was established in 2002, pursuant to the County's People's Transportation Plan (PTP) *Ordinance No. 02-117, Section 2-1421 (Section 2-1421)*. After the County imposed a one-half of one percent Transportation (formerly known as the Transit) Surtax on certain sales transactions for use on transit and transportation-related projects pursuant to *Section 212.055(1) of the Florida Statutes (Statute)*, and *County Ordinance No. 02-116 (Ordinance)*, as amended, the CITT was established to oversee PTP funded expenditures with the half-penny sales surtax (Surtax Proceeds).

Per *Section 2-1421*, the CITT has the responsibility to monitor, oversee, review, audit, and investigate implementation of the transportation and transit projects listed in any levy of the surtax, and all other projects funded in whole or in part with Surtax Proceeds as provided under authority of the *Statute*. The 15 board members of the CITT are residents of Miami-Dade County who possess outstanding reputations of civic involvement, integrity, responsibility, and business and/or professional ability and experience of interest in the fields of transportation mobility improvements or operations, or land use planning. One member from each of the County's 13 commission

districts, one appointed by the County Mayor, and one appointed by the Miami-Dade League of Cities.

In addition, the CITT is to assure compliance with any limitations imposed in the levy on the expenditure of Surtax Proceeds and with applicable federal and state requirements. The CITT is required to file a report, including any recommendations with the County Mayor and the County's Board of County Commissioners (BCC) on a quarterly basis regarding the implementation of the projects funded by Surtax Proceeds. CITT members shall not have any interest, direct or indirect, in any contract with the County or in any corporation, partnership or other entity that has a contract with the County. As of April 2024, there were three vacant positions on the CITT.

Of the Surtax Proceeds received by the County, annually about 23% must be distributed to eligible municipalities while approximately 77% is allocated to DTPW, from which almost 1% is allocated to OCITT. Per *Section 2-1421(h)*, the CITT may, by a majority vote of its membership, hire an Executive Director to lead the OCITT, who supports the responsibilities of the CITT. The Executive Director shall provide the CITT adequate staff and support services to enable the CITT to carry out its duties and responsibilities. The Executive Director is authorized to hire and/or remove staff. The Executive Director may be removed by a two-thirds vote of the CITT members present. In addition to the Executive Director, OCITT has a Deputy Director and eight filled staff positions and one vacant position. The staff is comprised of the Finance Manager, Municipal Program Manager, Projects Review and Contracts Manager, Chief Communications Officer, Customer Advocate Program Coordinator, Strategic Planning Analyst, and secretaries.

OCITT serves as support staff for the day-to-day operations of the CITT, which include the preparation of reports, organization of CITT meetings and workshops, updating the CITT's website, disbursement of Surtax Proceeds and related monitoring of use of such proceeds, and various other administrative functions. One of the monitoring reports obtained by the OCITT from each of the Surtax funding recipients is a Five-Year Transportation Plan (Plan) that includes how unspent and future funding will be applied in accordance with applicable federal, state, and local requirements. On behalf of the CITT, OCITT may contract with outside consulting firms for strategic/financial services to assist in its monitoring function, as well as attend workshops or travel to conferences.

For its allocation, DTPW proposes projects which are to be partially or wholly funded with Surtax Proceeds, and the CITT will accept or reject projects accordingly. Those accepted are monitored and reviewed by the CITT in monthly meetings where DTPW makes quarterly presentations. DTPW also prepares ad-hoc presentations for specific CITT requests, spending updates, budget and Plan information, as well as various quarterly reimbursement packages. DTPW financials and transit projects are audited on an annual basis. Unlike municipalities, the County is not required to apply 20% of the Surtax Proceeds on transit-related projects. Proceeds may be used to develop, construct, equip, maintain, operate, or expand (1) County-wide bus systems, (2) Fixed guide-way rapid transit systems, and (3) Roads and bridges in the County. Surtax Proceeds may also be used to secure bonds or pay debt service for such systems. Currently, the municipalities are issued

payment for their share of the Surtax Proceeds whereas DTPW submits supporting documentation to confirm the amount spent on eligible projects with support provided subsequently, upon which OCITT issues a transfer to reimburse the DTPW projects, operations & maintenance, etc. Additionally, the BCC relies on the recommendations from the CITT to approve Surtax funded projects and expenditures proposed by DTPW.

SUMMARY RESULTS

The CITT members meet monthly and perform oversight, reviewing, and monitoring of the transportation and transit projects utilizing Surtax Proceeds. The meetings are organized by OCITT who is responsible for preparing the meeting minutes and making them available on the CITT website, although the minutes were not available on the CITT website since January of 2018. Additionally, while the CITT is to provide the Mayor and the BCC quarterly reports, these were not provided in FYs 2022 or 2023. The CITT, in addition to the *State of Florida House Bill 385* (HB 385), is using a self-established “Statement of CITT’s Guiding Principles and Priorities” which includes some Surtax funded responsibilities which appear to be marketing focused and may not be aligned with their mandates.

The OCITT Office Policies and Procedures are geared towards staff operations and not towards their role of disbursing the Surtax funds. The OCITT Surtax Funding Process documentation does not include the procedures undertaken by OCITT for the review and disbursement of Surtax Funds. There are no Standard Operating Procedures for the reimbursement of funds to DTPW or the monitoring of disbursed funds to municipalities. OCITT maintains a petty cash fund of \$2,000. OCITT has not always followed the County’s Administrative Orders with respect to petty cash and travel reimbursement. County’s *Administrative Order No. 03-06 Petty Cash (AO 03-06)*, and its related *Procedure No. 326*, as well as *Administrative Order No. 06-01 (AO 06-01) Travel on County Business* and its related *Procedure No. 820 Request/Reimbursement to Travel*.

Unlike municipalities, DTPW’s Surtax funding is distributed on a reimbursement basis by the CITT, and accordingly the OCITT, although there is no documented requirement that the Surtax funds are to be disbursed on a reimbursement basis to DTPW. Moreover, for the various reimbursement packages, DTPW has no written procedures on how they are to be prepared. Additionally, there were 17 Surtax funded projects, of which four had \$6.5 million spent as of FY 2023, that were not monitored by OCITT as they had not previously been approved as a separate project.

These and other findings and recommendations are detailed in the remainder of this Report. We acknowledge receipt of the joint Response from CITT and OCITT (Attachment I) and DTPW’s Response (Attachment II), which includes actions already taken to address relevant concerns. We acknowledge the initiative of CITT and OCITT in gathering customer feedback to promote, as well as to assist, in improving services and encourage comprehensive input by leveraging other available County resources for resident feedback on Surtax funded projects. We encourage CITT, OCITT and DTPW to agree on a transaction basis that maximizes use of funding, provides effective monitoring and accountability, yet is efficient. We appreciate the courtesies

extended to our staff during the audit process and consider this audit closed. If you have any questions or require additional information, please contact me at (786) 469-5900.

OBSERVATIONS, FINDINGS, AND RECOMMENDATIONS

Responsibilities

The CITT has the responsibility to monitor, oversee, review, audit, and investigate implementation of the transportation and transit projects funded in whole or in part with Surtax Proceeds as provided under authority of the *Statute*. There is a caveat that PTP funded projects rejected by the CITT could be approved by a two-thirds vote of the BCC. DTPW included 17 projects, with partial or full PTP funding, as part of their capital budget, which was approved by the BCC, which had previously been rejected by the CITT. As such, these 17 projects were not included in the Plan, of which four had Surtax expenditures which totaled \$6.5 million through FY 2023 (Table I). Since this was not included in the Plan, due to prior rejection by the CITT, these projects were not being monitored by OCITT. This was due to DTPW’s lack of submitting an amendment to the Plan to increase the Infrastructure Renewal Plan annual amount.

Table I
Missing Plan Projects with PTP Expenditures

No.	Program ID	Project ID	Project Name	PTP Spent Through FY 2023
Metromover - Improvement Projects				
1	673910	3001039	Metromover Escalators And Elevators Refurbishment (IRP 92)	\$ -
2	673910	3001387	Metromover Fire Panel Upgrade (CIP172)	-
3	673910	3002476	Metromover Vehicle Midlife Overhaul (IRP300)	1,221,532
4	673910	3002477	Metromover Concrete Removal & Safety Netting (IRP315)	5,230,753
Signage and Communication Projects				
5	2000000434	3001025	Metrorail & Metromover Electronic Real Time Signage (IRP172)	-
6	2000000434	3001037	Train Wayside Communication (TWC) Equipment Installation at Rail (IRP204)	79,600
Safety Improvements - FDOT Projects				
7	2000001472	3002773	US1 & SW 136 St And US1 & Quail Roost Intersections (CIP250)	7,000
Emergency Backup generators				
8	2000001211	3002263	Emergency Backup Generators (IRP109)	-
Federally Funded Projects				
9	2000000326	3000642	Capitalization Of Preventive Maintenance and Other Costs	-
10	2000000326	3001904	Mainline Video Upgrade Phase 2 (CIP184)	-
Metrorail - Stations and Systems Improvements				
11	2000000104	3001424	Green / Orange Lines And Pyd Switch Machine & Cable Replacement (IRP316)	-
12	2000000104	3002478	Metromover And Metrorail Scada And Ethernet Switches Replacement (IRP319)	-
13	2000000104	3002566	Parking Space Counter At Additional Metrorail Stations (IRP323)	-
Track Inspection Vehicle/Train				
14	2000001308	3002479	Track Inspection Vehicle / Train (OSP245)	-
Safety Improvements - Various PTP Projects				
15	2000001297	3002402	Safety Projects	-
Bus and Bus Facilities				
16	671560	3001663	NE Bus Garage Maintenance Bathroom Locker Remodeling (IRP290)	-
Metrorail - Stations and Systems Improvements				
17	2000000104	3005381	Metrorail Traction Power Switchgear Replacement Ph. 4 (IRP339)	-
Total PTP Expenditures				\$ 6,538,885

Source: DTPW Capital Projects Budget

The CITT accepts or rejects Surtax funding for programs/projects based on adherence to *HB 385* and self-established Statement of CITT’s Guiding Principles and Priorities. A comparison of these Guiding Principles and Priorities to the *Ordinance* reflects expansion into areas such as the Balance of Interest, First/Last Mile Solutions, Customer Service Experience and Promotions

appear to be more marketing focused than monitoring. By expanding from the mandated criteria, CITT may accept/approve projects for PTP Surtax Funding outside the voter intent which established the PTP Surtax. OCITT initiated and operates the Ambassador Program, with program costs classified as Outside Contractual Services of \$75,715 through FY 2023, for which participant rewards include non-County rideshare options. The OCITT has a dedicated staff in the role of CITT Customer Advocate Program Coordinator. OCITT should not continue program rewards skewed towards ride-shares and non-County services, though this may be limited by the vendor chosen. DTPW already had a customer feedback initiative for intaking and addressing rider comments, safety concerns, and conditions.

As part of the CITT responsibilities, on a quarterly basis, the Executive Director of the CITT shall submit a written report to the BCC and the Mayor of all expenditures made pursuant to *Section 29-124(g)* of the *Ordinance*. The CITT did not provide the quarterly reports for the two FYs ended September 30, 2023. Upon inquiry by the Audit and Management Services Department (AMS), the CITT provided annual reports combining all four quarters for FY 2021, FY 2022, and FY 2023. These annual reports were provided to the Mayor and the BCC on November 21, 2023.

OCITT was not posting the minutes of the CITT meetings on the website as of 2018. Per the established OCITT Office Policies and Procedures, CITT stated that meeting minutes are to be posted to the website within three business days after approval by the CITT or respective committee. After AMS inquiry, OCITT began posting the minutes to the website.

Recommendation

- The CITT should prepare and submit a written report each quarter to the BCC and the Mayor as required by the *Ordinance*.
- The CITT should focus on the monitoring, review, and oversight of Surtax Funded projects using mandated criteria to ensure those projects are performing as intended. In lieu of duplicating efforts, encourage OCITT and DTPW to work together for a more comprehensive customer feedback system/process for Surtax funded projects to benefit all users across the County with rewards focused on County services.
- OCITT and DTPW should collaborate to ensure that all Surtax funded approved projects are included and reviewed as part of the Five-Year Implementation Plan.
- OCITT should ensure that all minutes are loaded on the website in adherence with their Office Policies and Procedures.

Financials

The OCITT had expenditures of approximately \$2.6 million and \$2.7 million in FY 2022 and FY 2023, respectively (Table II). These expenses were primarily for salary, professional fees for outside financial services and consulting, and advertising. For FY 2022, an amount of \$2,571 was adjusted against Retained Earnings causing a variance which could not be supported. AMS observed that OCITT hired external third-party advisors to supplement their staff at a cost of \$261,289 in FY 2022 and \$78,710 in FY 2023.

Selected travel expenses reviewed were reimbursed seven months after the expenses were incurred, which is extensively more than the *Procedure No. 820* and *AO 06-01* referenced in the OCITT Office Policies and Procedures, which states original receipts along with the approved travel expense report be submitted within five (5) days following return. Per review of the County’s Integrated Financial Resource Management System (INFORMS), the reimbursement request was dated May 23, 2023, while the dates of receipts submitted for reimbursement were October 7-12, 2022. Moreover, the conference for which travel was incurred began on October 9 and concluded on the 12, and thereafter, the traveler was on approved personal time. Therefore, \$566 of lodging and per diem expenses incurred outside the event window should have been disallowed. In addition, the travel receipts showed the daily lodging rate exceeded the GSA rate in violation of *Procedure No. 820*.

Table II
PTP Fund Expenditures

Description	Year Ended September 30,		Total
	2022	2023	
<i>Peoples Transportation Tax (PTP) Fund ET037:</i>			
Payroll and Payroll Related ¹	\$ 1,735,468	\$ 1,849,175	\$ 3,584,643
Other Professional Accounting/Audit Services	225,000	225,000	450,000
Outside Financial Advisor	261,289	78,710	339,999
Building Lease	121,771	105,696	227,467
Outside Contractual Services	21,476	194,297	215,773
Advertising and Marketing	104,796	105,340	210,136
IT Services	50,006	51,946	101,952
Printing and Reproduction	19,341	41,751	61,092
Computer Hardware and Office Equipment	12,872	30,215	43,087
Registration Fees	11,376	15,085	26,461
Other County Services	12,265	13,175	25,440
Office Supplies	2,684	10,050	12,734
Communications ²	5,855	6,314	12,169
Travel	-	9,768	9,768
Messenger Services	83	3,235	3,318
Parking Reimbursement	2,000	1,000	3,000
General Liability Insurance	1,025	953	1,978
Various Expenditures < \$1,000	825	1,082	1,907
OCITT Adjustment to Retained Earnings	(2,571)	-	(2,571)
Total Expenditures PTP Fund ET037	\$ 2,585,561	\$ 2,742,792	\$ 5,328,353

Source: OCITT General Ledgers

¹ Includes salary, payroll related expenditures such as termination payments and paid vacation.

² Includes telephone, cell phone, and other communications.

AMS noted that OCITT maintains a petty cash balance of \$2,000 which OCITT replenishes annually. Based on a surprise count of the petty cash fund and review of a replenishment package to verify that OCITT was following the *AO 03-06* and *Procedure No. 326*, AMS noted that of the ten receipts submitted for reimbursement, six were submitted after the required 30 days, one did not have a submission date, three did not include the vendor and nine did not show supervisory approval (sign-off).

Recommendation

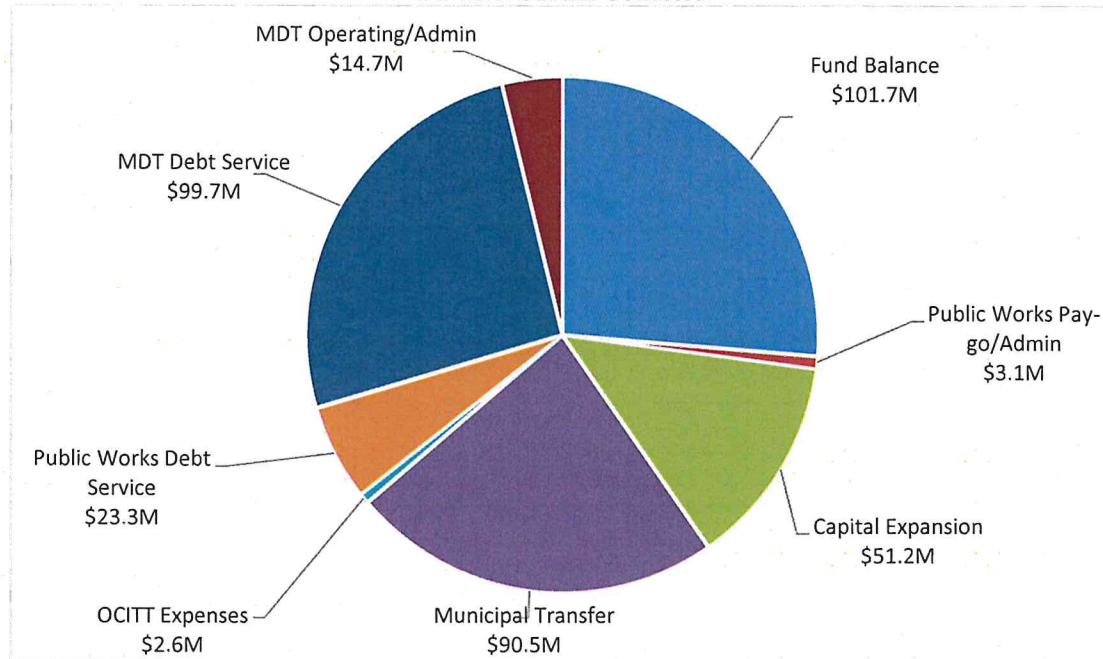
- OCITT should have supporting documentation for any reconciling items charged against Retained Earnings.
- OCITT should follow *Procedure No. 820* with respect to travel reimbursements, ensure the amounts are within those guidelines, and for valid business purposes. Suggest training for the staff on County policies and preparing a checklist of the requirements to facilitate the review for approval.
- OCITT should adhere to the *AO 03-06* and *Procedure No. 326* regarding Petty Cash reimbursement and evaluate reducing the amount of petty cash on hand to better match their needs.

Reimbursements

For FY 2022, Surtax Proceeds of \$386.8 million was collected of which \$285 million was distributed leaving a Surtax fund balance of approximately \$101.7 million (Table III). DTPW prepares and submits various reimbursement expense packages on a quarterly basis to OCITT (Table III). Some packages are combined on one memo for submission.

Of the \$285 million distributed, the DTPW Debt Service packages were \$99.7 million and \$23.3 million, for Miami-Dade Transit (MDT) and Public Works (PW), respectively (Table III). PW team of DTPW does a reconciliation of the various bond series and recomputes the principal and interest amount to verify the amounts recorded by the County's Finance (Finance) Bond Administration (Exhibit I) before the preparation of the Debt Service package for OCITT. Although these amounts were included in the reimbursement packages submitted to OCITT, the amounts are paid directly by Finance and not OCITT, since they do not disburse any funds for Debt Service. Per a separate Audit Report dated April 8, 2024, for the Charter County Transportation System Surtax Review – Transit Projects, it was recommended that packages could be suspended since the information is available to OCITT through Finance.

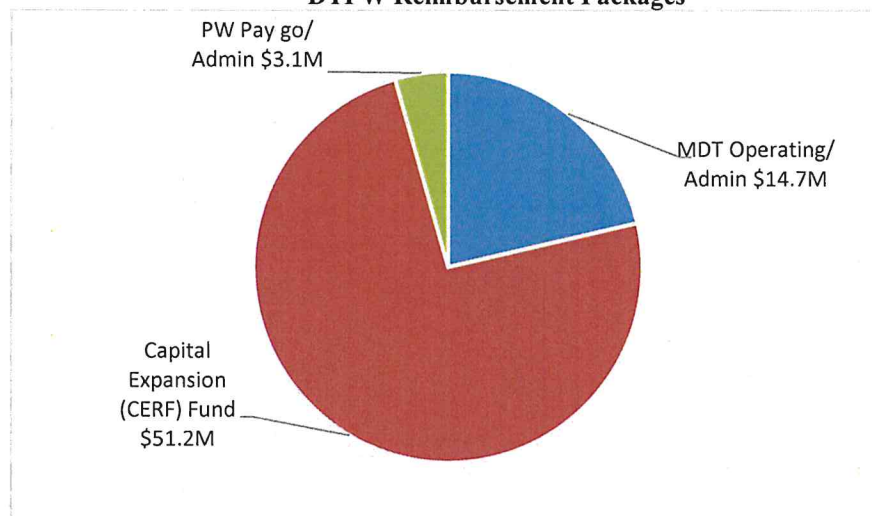
Table III
FY 2022 Surtax Collected



Source: Five-Year Implementation Plan for the People’s Transportation Plan Fiscal Years 2024-2028

The DTPW reimbursement packages, excluding Debt Services, represent \$69 million or 17.8% of the total Surtax Funds for FY 2022. This is comprised of reimbursement packages for both PW and MDT approved projects (Table IV).

Table IV
DTPW Reimbursement Packages



Source: Five-Year Implementation Plan for the People’s Transportation Plan Fiscal Years 2024-2028

The DTPW reimbursement packages are for the Capital Expansion Reserve Fund, Operating and Maintenance, Pay as You Go, and Bond Administration Service Fees. The Capital Expansion Reserve Fund was established via *Resolution No. R-222-09* which states, “dedicate at least 10% of the County’s annual share of Surtax funds, excluding existing and future debt service for capital expansion of the transit system.” The Operating and Maintenance reimbursement is capped at the adopted budget amount. Of the \$69 million dollars only \$3.1 million or 4.5% is reimbursed based on the actual expenditures instead of the budget amount. DTPW’s preparation of the reimbursement packages includes controls such as, reviewing budget, validating INFORMS transaction data, recomputing the amounts for reimbursement, and reviewing packages. However, there are opportunities to enhance the controls to provide consistency and improve efficiency. If the reimbursement process is to continue, the existing controls can be enhanced with written procedures, as well as a checklist to standardize the documentation and the review (Exhibit I).

DTPW does not have procedures for preparing the various reimbursement packages documented, packages are not submitted quarterly, and in some instances, proper supporting documentation is lacking. Moreover, due to DTPW employee turnover, there was difficulty in obtaining responses and some supporting documentation. For FY 2023, first, second, and third quarters for the Pay as You Go packages were not submitted individually, rather the three quarters were combined into one submission. Additionally, one Transit Pay as You Go package in FY 2023, submitted to OCITT for reimbursement, had a portion of the supporting detail missing. Also noted, that PW does not recompute the Bond Administration Service fee before submitting it for reimbursement. If the existing reimbursement process is to continue, it is important to maintain continuity of the support, a consistent process, and ensure timely submission.

OCITT reviews the reimbursement packages, compares the reimbursement amounts requested to the approved budget, submits for approval and processes payment via interfund transfer to DTPW (Exhibit I). However, OCITT does not review any invoices from the transaction summary provided to ensure it was an eligible use of Surtax Proceeds. Reliance is placed on the project having been approved, budgeted, and that DTPW personnel are properly reviewing all expenses charged against the projects. OCITT was unable to demonstrate any mandate requiring for DTPW to be on a reimbursement basis.

Recommendation

- The DTPW reimbursement process should be reconsidered to a process similar to the municipalities. Annually the budgeted amounts for Pay as You Go, Operations & Maintenance, Capital Expansion Reserve Fund, and Bond Service Administration fees should be disbursed to DTPW.
- DTPW should provide detailed spending updates to the CITT, at a minimum quarterly, as part of their Quarterly Performance presentation.

- OCITT should ensure staff is trained to review the expenditures, investigate questionable invoices, and determine they are eligible uses of the Surtax monies for approved Projects.

If the reimbursement process is to continue:

- DTPW should have written Policies and Procedures which document the procedures for preparing and submitting the various reimbursement packages and ensure that personnel are trained and familiar with the various reimbursement packages.
- DTPW should review the reimbursement packages for accuracy and completeness prior to submitting to OCITT. A checklist for each package will facilitate the review for approval.
- OCITT should have written Policies and Procedures which document in detail the procedures for reviewing and processing the various reimbursement packages and ensure that more than one person is trained and familiar with the process. The communication of disbursement for the reimbursement request should be done consistently.
- OCITT, as part of the review process, should review the supporting documentation to ensure expenditures are eligible and approved use of Surtax funding.

Disbursements

The OCITT Finance Manager, in accordance with the *Ordinance*, prepares a spreadsheet using the latest available population statistics to compute the pro-rata share for the municipalities incorporated as of November 5, 2022. Of the Surtax Proceeds received by the County, 20% must be distributed to municipalities. After adoption of the *Ordinance*, three new municipalities were incorporated: City of Doral, City of Miami Gardens, and Town of Cutler Bay. In 2012, the County agreed to allocate a portion of its Surtax Proceeds to those municipalities, which amounts to approximately 3% of total Surtax Proceeds. For FY 2022, OCITT disbursed a total of \$90.5 million to municipalities through monthly payments (Table III). The Municipal Surtax Disbursement Process includes controls to ensure the municipalities receive their mandated share of the Surtax Proceeds. The controls include, but are not limited to, the municipal percentage share computation is reviewed and approved by the OCITT Deputy Director, amounts to be withheld are verified with the OCITT Municipal Program Manager, submitting and ensuring receipt of the disbursement invoice requests by Finance, as well as approval of the disbursement by OCITT Director or Deputy Director (Exhibit II).

OCITT's Municipal Program Manager reviews and monitors the use of the Surtax funds by the municipalities. In accordance with the *Ordinance*, an *Interlocal Agreement* executed between each municipality and the County states that to receive Surtax Proceeds, the municipalities are to provide the following documentation:

- Adopted Annual Budget
- Annual Report/Municipal Questionnaire
- Certification Letter acknowledging Maintenance of Effort (MOE) requirement
- Municipal Five-Year Transit/Transportation Plans
- Quarterly Reports
- Municipal Information Form for CITT Five-Year Plan Update

Per the *Ordinance*, the municipalities will preserve the level of transportation funding currently in their FY 2001-2002 budgets (i.e., MOE). The MOE excludes special bond issues for infrastructure improvements. The municipalities, as part of the annual package, send a certification letter confirming the MOE. The OCITT Municipal Program Manager confirms receipt of the certification letter from the original 31 municipalities.

The municipalities need to dedicate 20% of their surtax funds for transit purposes. This would include circulators, bus shelters, bus pullout bays or other transit-related infrastructure. If the monies are not being spent accordingly, the municipalities may be subject to withholding of future Surtax funds or recapture.

The OCITT Municipal Program Manager receives the information from the municipalities and inputs what is received and the date in a manual tracking log. The OCITT Municipal Program Manager performs various reviews of the information provided by the municipalities to ensure completeness. This includes reviews of the annual compliance documents as well as quarterly reports. In addition, OCITT relies on audits performed by AMS of the Surtax funds across the municipalities. While the OCITT Municipal Program Manager tracks the status of the audit, there was no formal tracking of the findings, recommendations, or resolution of the finding documented for review. The Municipal Oversight Process includes controls, such as, logging receipt of documentation, reviewing compliance documentation for completeness, categorizing between transit and transportation, reviewing the financial records and budgets. However, there are opportunities to enhance the controls to provide greater oversight of the spending and reduce the volume of repeat audit findings across the municipalities. For instance, OCITT should follow-up with municipalities on AMS recommendations and observations to reduce recurrence (Exhibit II).

Recommendation

- OCITT should prepare a detailed electronic checklist for the tracking and review process for submissions from the municipalities.

- OCITT should enhance its review of the financial records and quarterly reports, including consideration for staffing, to ensure that the PTP fund expenditures in the financial records resemble the expenditure total submitted in the quarterly reports. Significant variances or discrepancies should be questioned so they can be addressed timely.
- OCITT should monitor the unspent balances and carryover credit balances to ensure the amounts are used within the mandated five-year period.
- OCITT should carefully review and understand the findings and recommendations from the Surtax audit reports for municipalities to assist them in resolving those findings. Track the findings for all the municipalities and monitor annually to ensure they are being addressed.

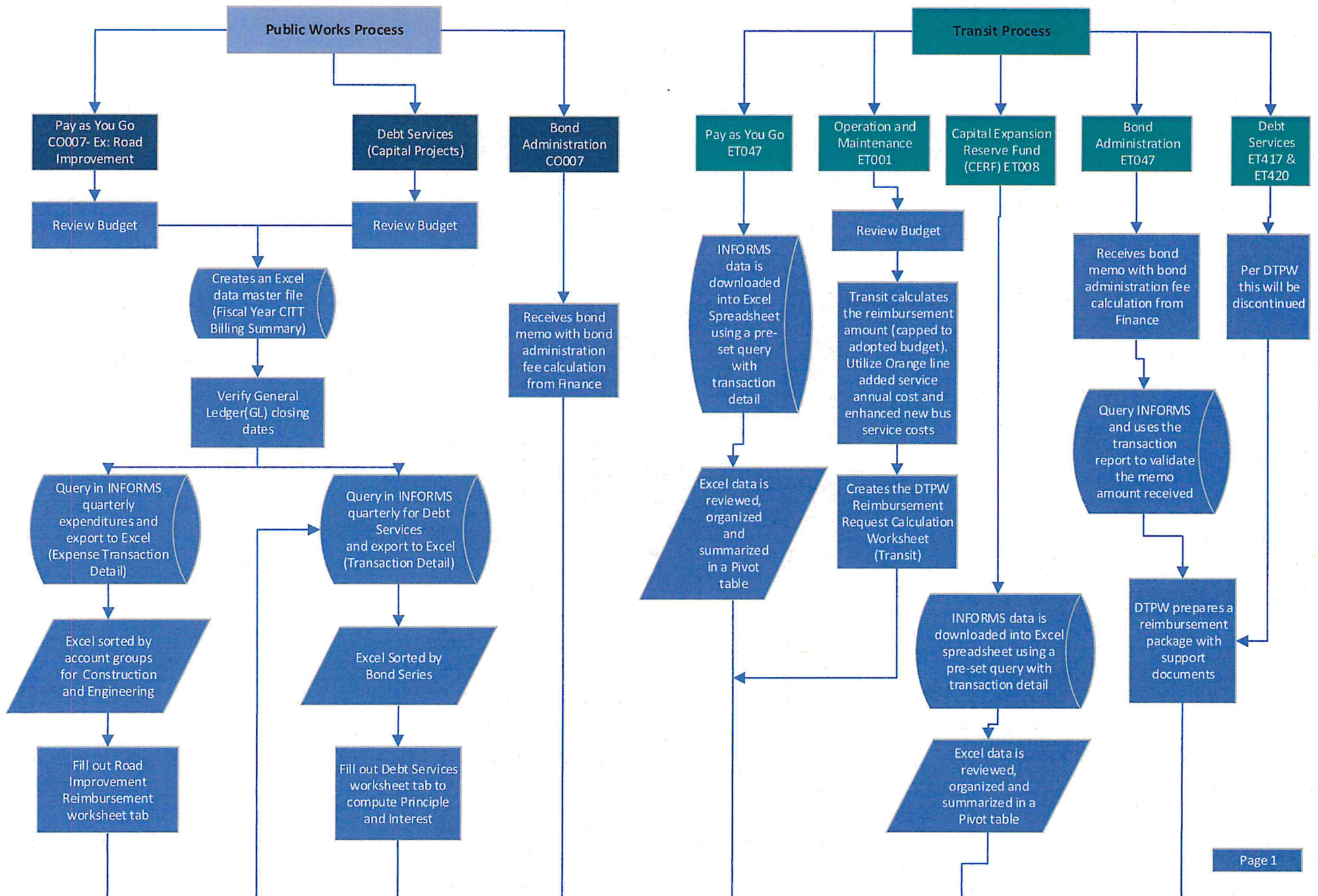
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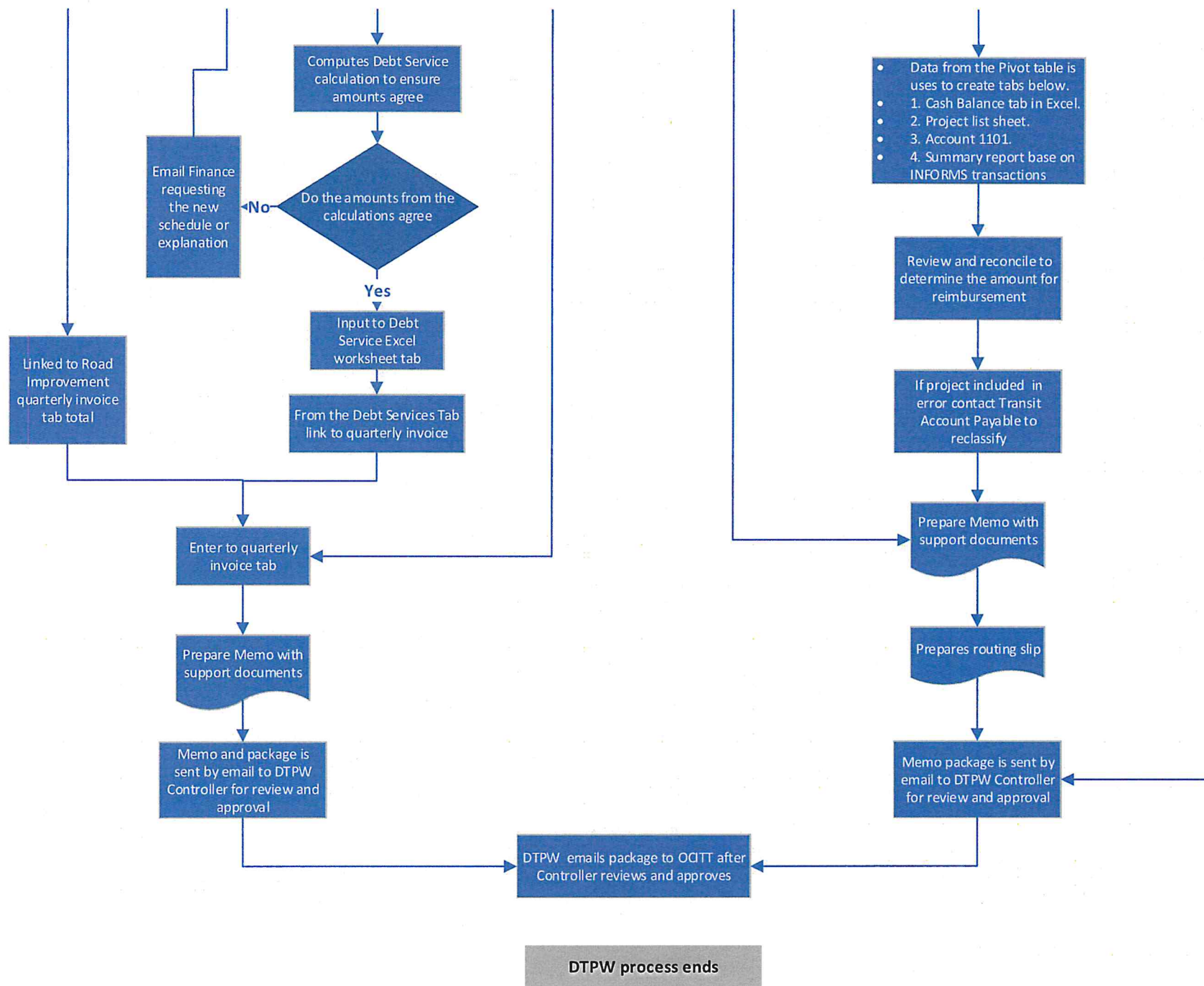
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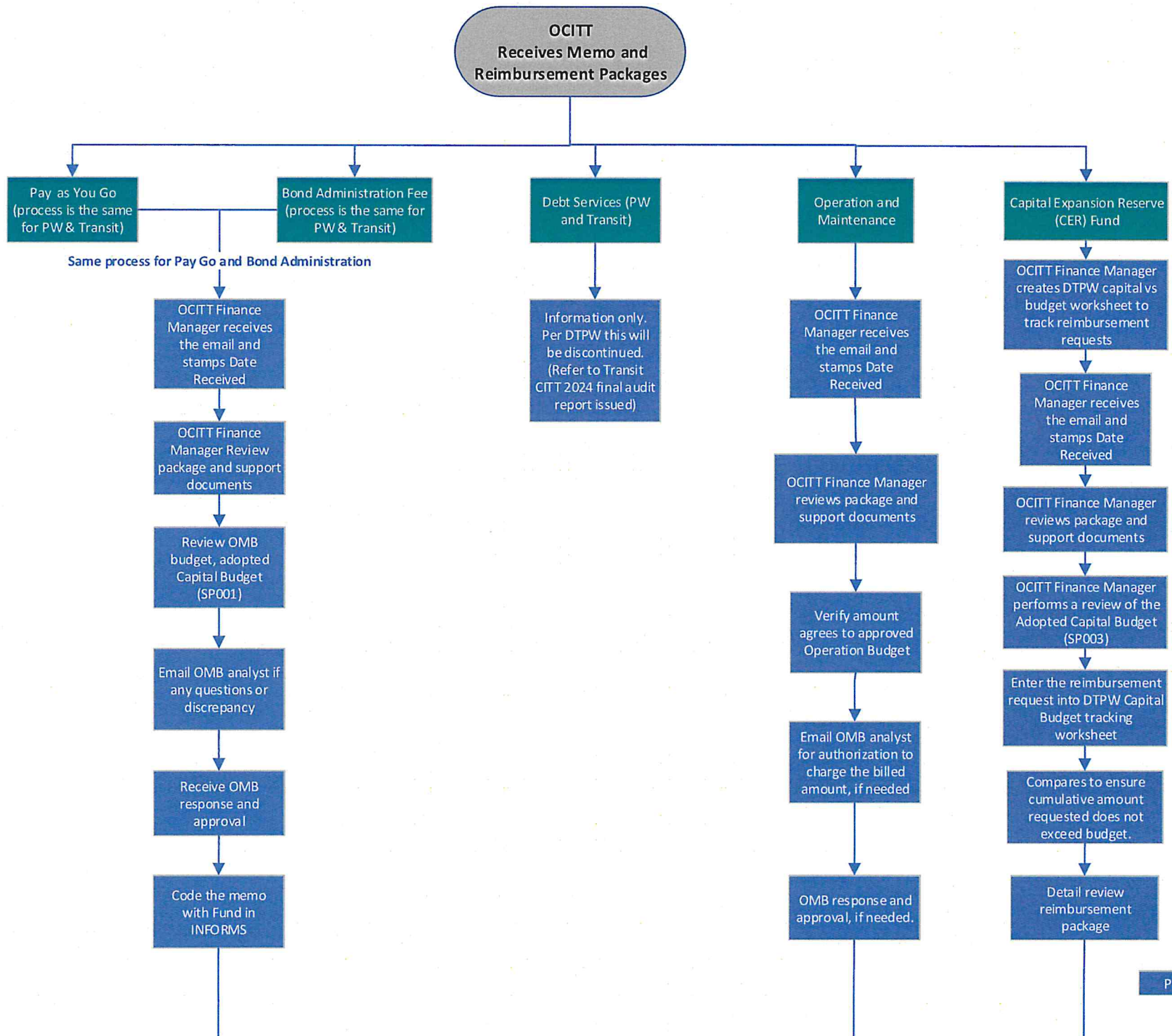
c: Juan Fernandez-Barquin, Clerk of the Court and Comptroller
Geri Bonzon-Keenan, County Attorney
Carladenise Edwards, Chief Administrative Officer
Jimmy Morales, Chief Operations Officer
David L. Clodfelter, Director, Office of Management and Budget

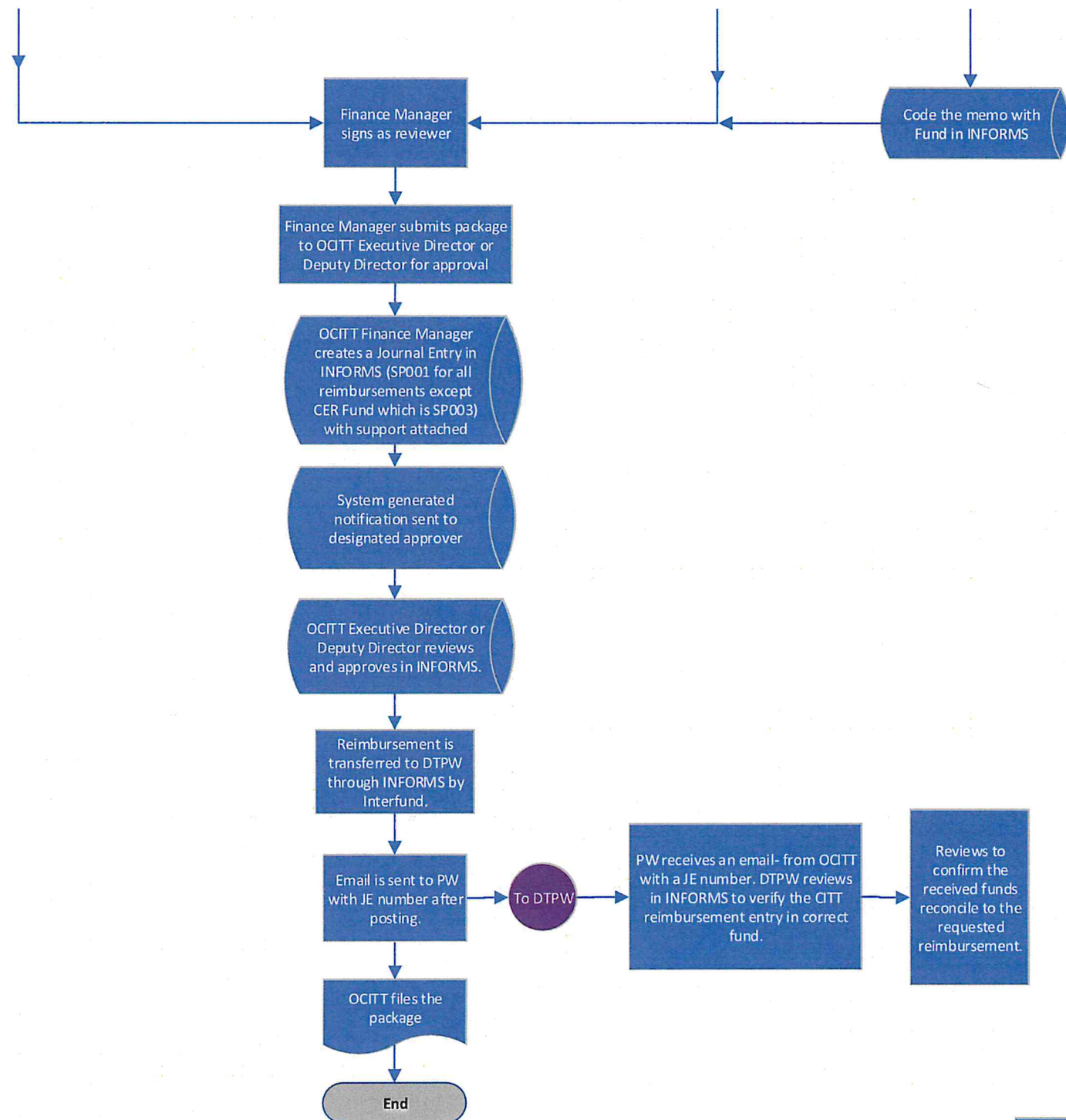
**Department of Transportation
and Public Works (DTPW)
Reimbursement
Process**

Exhibit I









Municipalities' Process

OCITT Finance Manager initiates Surtax disbursement process in accordance with Ordinance 02-116.
Municipal Program Manager initiates Municipal reporting as per Inter Local Agreement (ILA)

Annual Process

OCITT Finance Manager emails Office of Management and Budget (OMB) to request annexation numbers

OCITT Finance Manager receives OMB annexation information

OCITT Finance Manager emails Regulatory Economic Resources (RER) for population numbers

OCITT Finance Manager receives RER email with census estimates by municipality

OCITT Finance Manager prepares Municipal Payment Calculation Spreadsheet

Quarterly Process

OCITT Municipal Program Manager sends email to each Municipality reminding them of the due dates for each quarter for the Municipal Quarterly Report

OCITT Municipal Program Manager receives the Quarterly Reports and inputs the date received in the tracking log

OCITT Municipal Program Manager reviews Quarterly Reports for eligible expenditures and reviews that amounts are properly categorized (Transit vs Transportation)

Are expenditures eligible and reported in proper category?

Inquires of the Municipality for any discrepancy or issues. Once resolved. See next step

Yes

Monthly Process

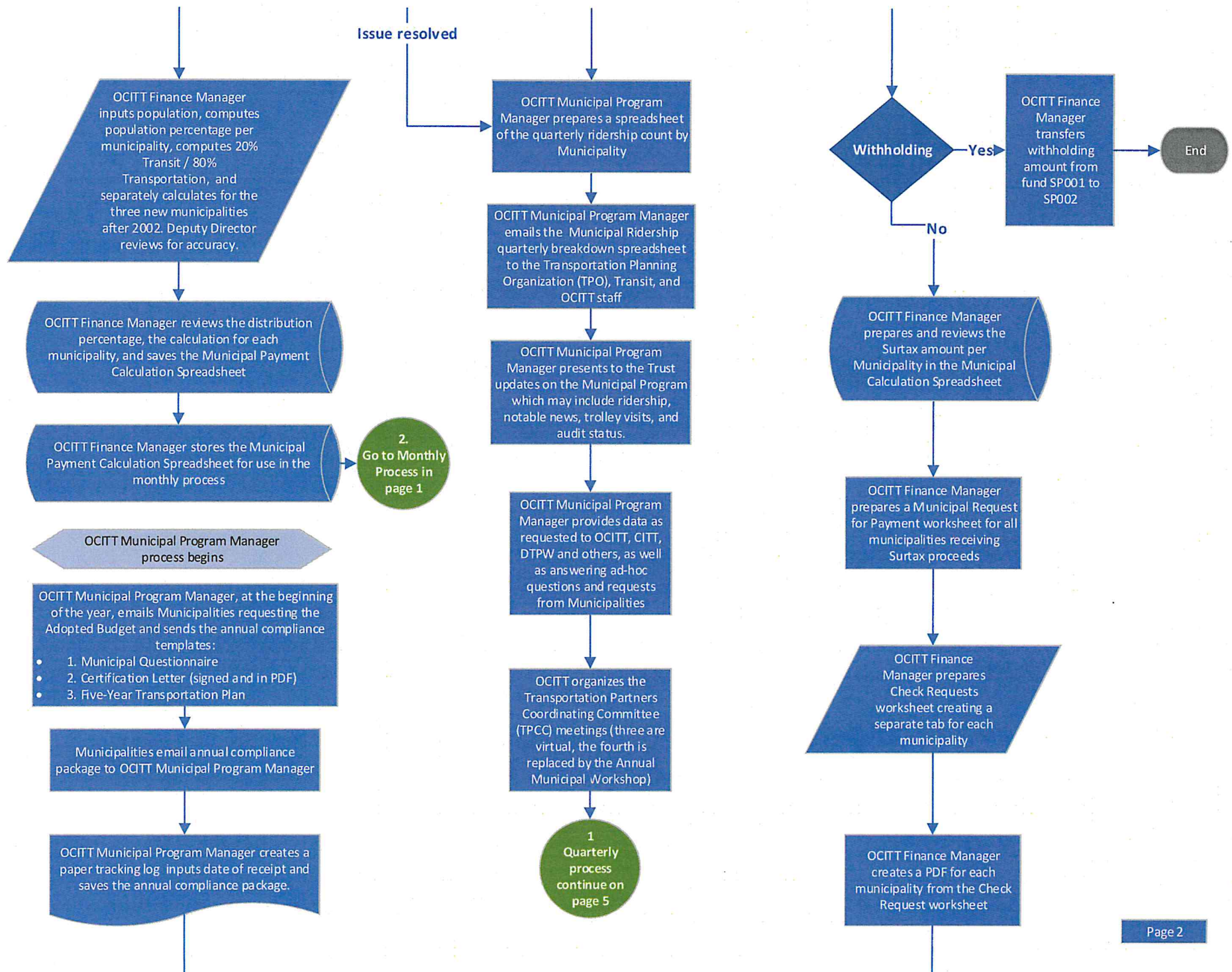
OCITT Finance Manager receives a monthly email from the Finance Department indicating the Surtax amount received from the State posted in fund SP001

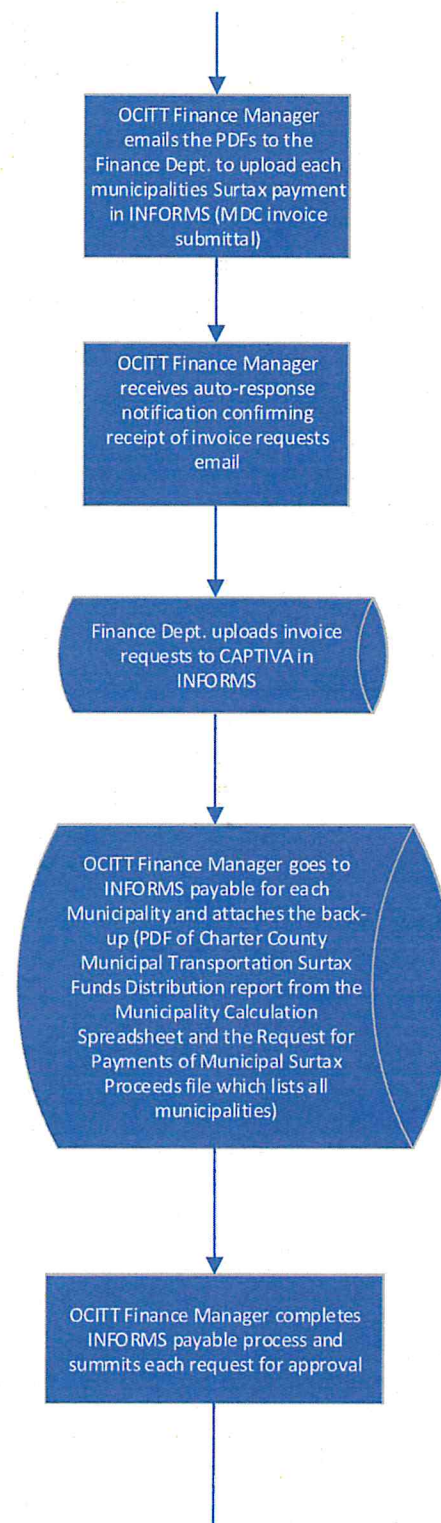
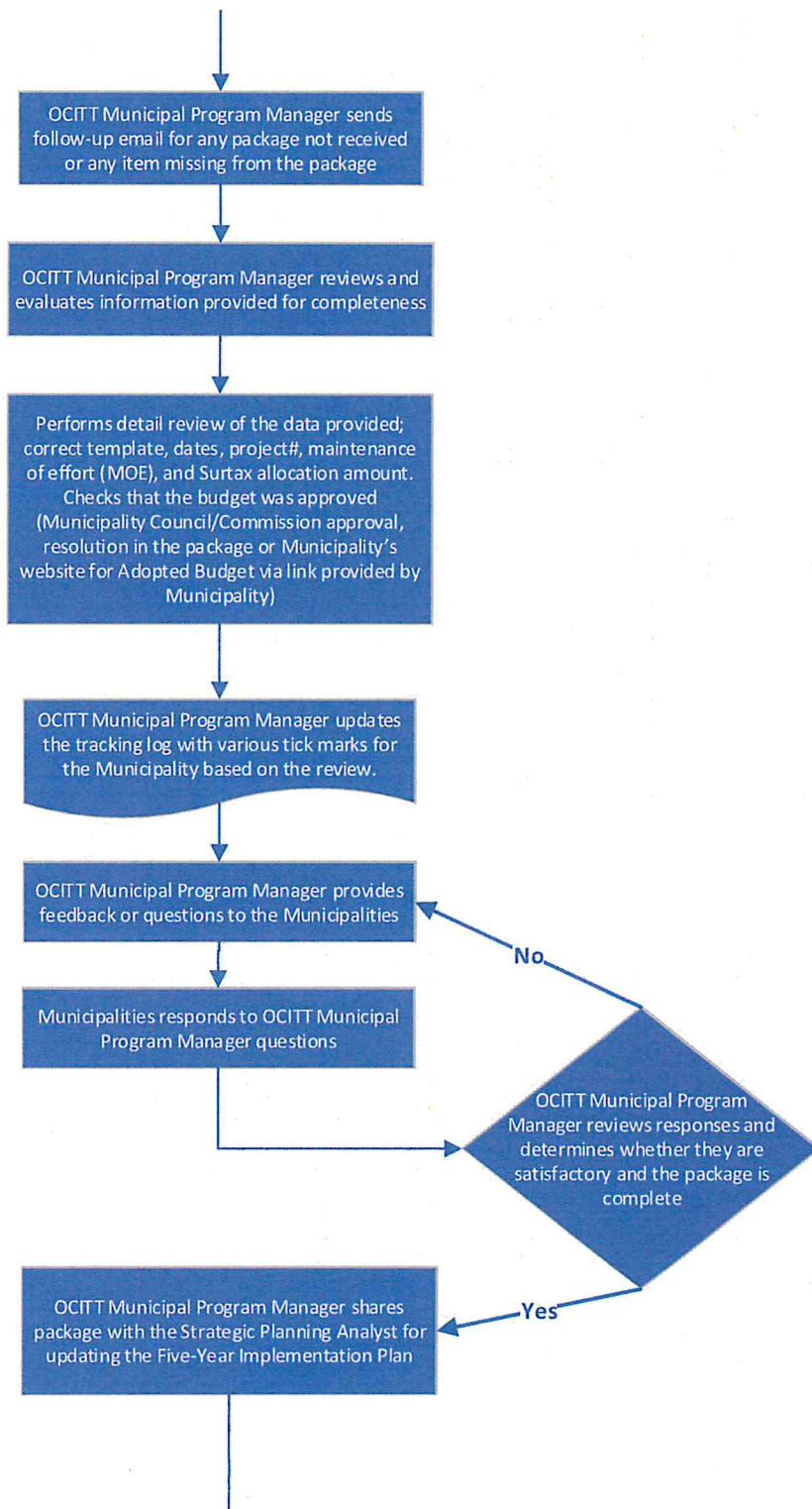
OCITT Finance Manager creates monthly tabs within Municipal Payment Calculation Spreadsheet and inputs amount received

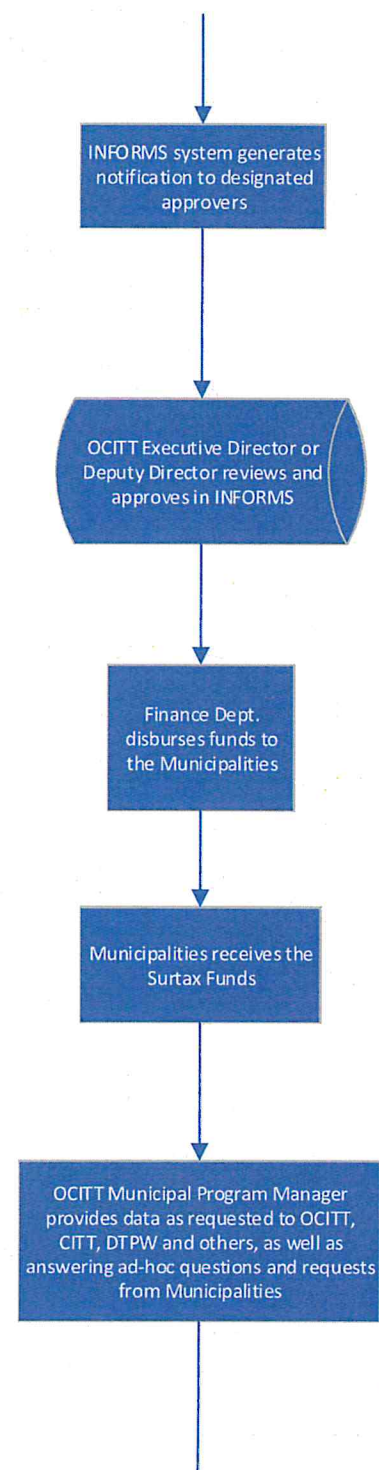
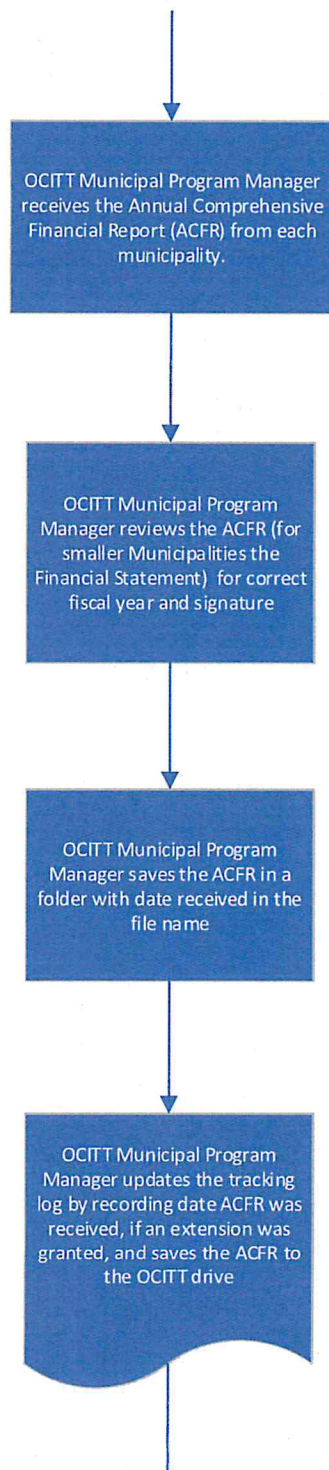
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From
Annual
Process

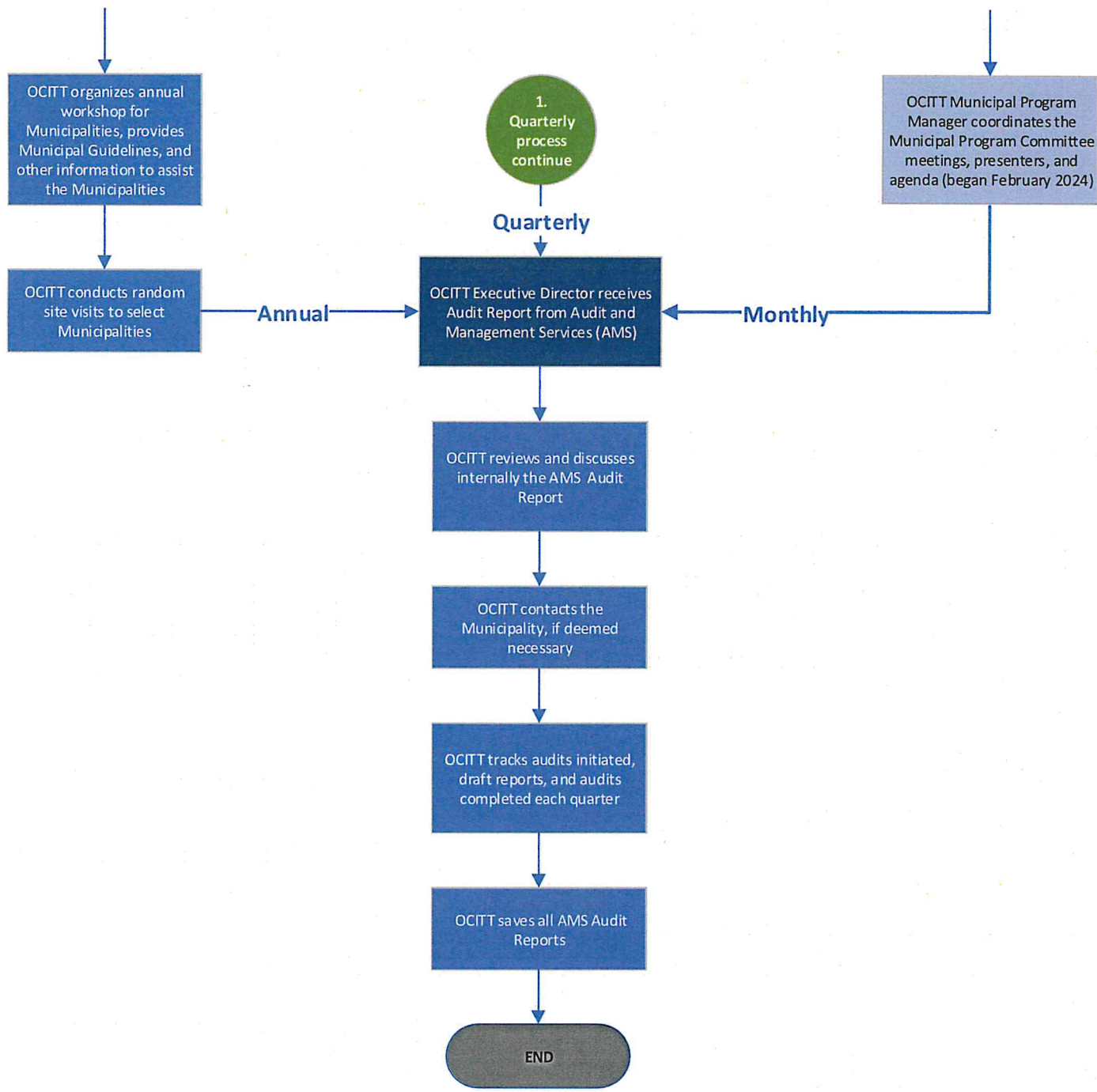
OCITT Finance Manager emails Municipal Program Manager the amount allocated to the municipalities with withholding

Reply from OCITT Municipal Program Manager to the Finance Manager











Attachment I

Memorandum

DATE: August 28, 2024

TO: Ofelia Tamayo, Director
Audit and Management Services Department

FROM: Javier A. Betancourt, Executive Director
Office of the Citizens' Independent Transportation Trust

Robert Wolfarth, Chair
Citizens' Independent Transportation Trust

SUBJECT: CITT/OCITT Response to Draft Audit Report - Department of Transportation and Public Works, Citizens' Independent Transportation Trust and Office of the Citizens' Independent Transportation Trust

The Citizens' Independent Transportation Trust (CITT) and Office of the Citizens' Independent Transportation (OCITT) are in receipt of the August 1, 2024 "Draft Audit Report - Department of Transportation and Public Works, Citizens' Independent Transportation Trust and Office of the Citizens' Independent Transportation Trust".

We would like to thank the County's Department of Audit & Management Services (AMS) for taking the time to undertake this unprecedented review of the use and management of surtax funds by DTPW/CITT/OCITT. We recognize that this review was the first of its kind and that the CITT/OCITT had not been audited, to this extent, since its inception. Over the past 10 months in which the audit was conducted, our Staff has worked tirelessly with AMS to ensure that all requested information was provided, and all questions were answered, in a timely, cooperative and professional manner.

Given the extensive scope of this review, we are proud to note that the audit findings are relatively few and minor in nature. This should provide great comfort to all stakeholders that the taxpayers' funds are being managed in a professional and fiscally responsible manner.

While there are a few minor, largely process-related findings, which we address further below, the audit found no credible evidence of systemic mismanagement, malfeasance, waste or willful wrongdoing by the CITT/OCITT, a point which should be emphasized and applauded. That aside, the report does provide several constructive findings/recommendations that point to areas for improvement -- which we anticipated, welcome and are already working to implement -- as well as some findings/recommendations with which we respectfully disagree.

We have carefully reviewed each CITT/OCITT related finding/recommendation and provided our responses below (DTPW to provide their own response to their findings).

Responsibilities

AMS "Responsibilities" Recommendation #1

The CITT should prepare and submit a written report each quarter to the BCC and the Mayor as required by the Ordinance.

CITT/OCITT's Response

CITT/OCITT concurs with this recommendation and commits to continue submitting quarterly reports to the BCC and Mayor on a timely basis as required by County Code.

While the information for the reports was being compiled on a quarterly basis, the reports for Fiscal Years (FY) 2021-22 and 2022-23 were written and submitted as annual reports, which combined all four quarters. Beginning FY 2023-24, the reports went back to being produced and submitted to the BCC and Mayor on a quarterly basis.

Although written "quarterly reports" were not timely submitted for the two audit years reviewed by AMS due to strained resources and competing priorities, the OCITT did, in fact, submit the required information regularly to the BCC and Mayor in the form of adopted CITT Resolutions. Additionally, the BCC and Mayor review and adopt the CITT's Five-Year Implementation Plan on a yearly basis. Therefore, the BCC and Mayor were kept abreast of all actions taken by the Trust during this time period, just not in the required "Quarterly Report" format.

The CITT/OCITT acknowledge the need to submit the information in the format and timeframe required. Prior to AMS' audit, we had already begun to take corrective action and are now fully caught up with the reporting requirements.

AMS "Responsibilities" Recommendation #2

The CITT should focus on the monitoring, review, and oversight of Surtax Funded projects using mandated criteria to ensure those projects are performing as intended. In lieu of duplicating efforts, encourage OCITT and DTPW to work together for a more comprehensive customer feedback system/process for Surtax funded projects to benefit all users across the County with rewards focused on County services.

CITT/OCITT's Response

The CITT/OCITT concur with the sentiment behind this recommendation, but not with its conclusion. We maintain that all activities conducted by the CITT/OCITT are aligned with the voters' intent and in compliance with the County Code's mandate to "**monitor, oversee**, review, audit and **investigate implementation** of the transportation and transit projects listed in any levy of the surtax, and all other projects funded in whole or in part with surtax proceeds."

The report seems to take specific issue with the CITT Ambassador Program, positing that the program may not be aligned with the CITT's mandate (asserting instead that it is more of a *marketing* program than a monitoring program), and a redundant duplication of established DTPW programs. Neither finding is accurate. The principal purpose of the program is to assist the CITT/OCITT in its mandated ***monitoring, oversight and investigatory*** functions, and the program is not a redundant duplication of any existing program.

CITT/OCITT Response to Draft Audit Report
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Prior to the implementation of the Ambassador Program, OCITT sought guidance and approval from the County Attorney's Office, which verified that the program fell within the CITT's defined powers and duties. The program has also received support from the County Mayor – the County's chief administrative officer -- who recognizes the program's added value to the County.

The audit's assertion that the program may be more marketing focused (than a monitoring function) is simply inaccurate and misleading; in fact, it is quite the opposite. The core of the program is focused precisely on **monitoring**, as an Ambassador's principal role is to submit their "secret shopper" observations to the CITT, DTPW and municipalities on their day-to-day experiences with the transit system; information that is critically important to assisting the CITT in its **oversight** role; ensuring that the system is being **implemented** in accordance with expectations and best practices; and serving to raise potential red flags for the CITT to further **investigate**, all in keeping with, and in furtherance of, our defined mandate.

While there is a secondary component to the program that enlists the Ambassadors' assistance in reposting CITT social media messages to help distribute important CITT/PTP related information, this is a "value-added" communication feature (not "marketing" according to subject matter experts in that field), and not the core focus of the program, which remains monitoring and oversight. Unless AMS is suggesting that there is no value in communicating important information to the public on the use of taxpayer funds, we frankly do not understand why anyone would take issue with this additional mechanism for enhancing transparency and accountability.

The Ambassador Program is not a redundant duplication of DTPW's efforts, but a complementary program which features the following unique "value-added" characteristics and benefits:

1. It provides a *proactive*, organized, systematic, enhanced "secret shopper" **monitoring** program that is completely different than DTPW's *reactive* feedback system.
2. In addition to covering DTPW's transit system, most of which has been funded in some capacity with surtax funds, the program also covers all municipal transit systems and other services funded with surtax funds, which DTPW's feedback system does not.
3. It serves as independent validation/verification for CITT of DTPW reporting (i.e., "trust but verify").
4. It serves to identify potential "red flags" for the CITT to further **investigate**.
5. It serves to communicate important CITT/PTP related information to better inform taxpayers and stakeholders on the use of their surtax funds.
6. It serves as a geographically and demographically balanced focus group that is representative of the overall transit system to better understand the public's thoughts and needs related to the PTP, which helps to inform our annual update of the 5 Year Plan.
7. It serves as a candidate pipeline to fill future CITT vacancies.
8. It helps to ensure that the investments made with surtax funds are being properly **implemented** and managed in accordance with expectations and best practices to maximize benefits to the taxpayers and transit customers while minimizing future maintenance and replacement costs.
9. It ultimately provides for enhanced transparency and accountability, which helps to restore the public's trust in the PTP.

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While we concur that the current reward system for the Ambassador Program can always be improved, and continue to explore opportunities for doing so, we disagree that the non-transit rewards, such as ride-share, are inappropriate. These alternative mobility services complement the transit system by providing Ambassadors with 1st/last mile connectivity to the transit system, much as the County and municipalities have done with their past and current partnerships with a variety of vendors to provide similar complementary mobility services.

Also, by virtue of them being regular transit riders, many, if not most, Ambassadors already possess a monthly transit pass, thereby making rewards in the form of daily transit passes unnecessary, undesirable, and an ineffective incentive for those individuals. Nevertheless, OCITT will continue to explore opportunities of providing discounts on monthly passes and other County-focused rewards in cooperation with DTPW and/or other County departments.

Given these facts, we respectfully request the removal of the Ambassador Program related findings/recommendations from the final Audit Report, but we intend to continue the program regardless in keeping with our **monitoring, investigatory and oversight** mandate, and in furtherance of the continuing **implementation** and improvement of the projects, programs and services paid for with surtax funds, and enhanced transparency and accountability toward restoring the public's trust in the PTP.

AMS "Responsibilities" Recommendation #3

OCITT and DTPW should collaborate to ensure that all Surtax funded approved projects are included and reviewed as part of the Five-Year Implementation Plan.

CITT/OCITT's Response

CITT/OCITT concur with this recommendation and commit to continue coordinating with DTPW to ensure that all Surtax funded approved projects are included and reviewed as part of the Five-Year Implementation Plan.

As indicated in the audit report, DTPW included 17 projects with partial or full PTP funding, as part of their capital budget, which was approved by the BCC, but had been previously rejected by the CITT. Although the audit points to DTPW's lack of submitting an amendment to the PTP Plan, the CITT/OCITT see this as an opportunity to establish a cross-checking procedure to ensure that there is no re-occurrence. The CITT/OCITT recommend that DTPW submit a bi-annual report which lists all projects which are paid for with PTP funds. We will review this information and cross-check it against the projects listed in the adopted PTP Plan.

The OCITT will seek guidance from the County Attorney's Office to determine the appropriate remedy for the unauthorized \$6.5 million expenditures by DTPW.

AMS "Responsibilities" Recommendation #4

OCITT should ensure that all minutes are loaded on the website in adherence with their Office Policies and Procedures.

CITT/OCITT's Response

Meeting minutes are and have been on CITT's webpage, albeit, these are not necessarily

CITT/OCITT Response to Draft Audit Report
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readily apparent given some technical challenges we have been experiencing with our website.

The OCITT does not manage the CITT website. All uploads and updates are handled by the County's Communications Department. Meeting minutes are prepared and submitted by OCITT monthly to the Communications Department, which is then charged with uploading the information to the CITT website. Unfortunately, Communications often uploads the information to a more obscure webpage instead of uploading them to the more appropriate "minutes" webpage as requested by our office. OCITT staff has been diligently working with Communications to move and post minutes to the more obvious and appropriate location and will verify on a monthly basis that the minutes are uploaded to the appropriate webpage moving forward.

Financials

AMS "Financial" Recommendation #1

OCITT should have supporting documentation for any reconciling items charged against Retained Earnings.

CITT/OCITT's Response

We concur with AMS' statement that the CITT/OCITT should have supporting documentation for any reconciling items charged against Retained Earnings.

AMS "Financial" Recommendation #2

OCITT should follow Procedure No. 820 with respect to travel reimbursements, ensure the amounts are within those guidelines, and for valid business purposes. Suggest training for the staff on County policies and preparing a checklist of the requirements to facilitate the review for approval.

CITT/OCITT's Response

The OCITT generally concurs with the recommendation but feels that the finding requires additional clarification.

The American Public Transportation Association (APTA) Conference attended by the traveler directly supports and aligns with the traveler's job duties and the reimbursements are for valid business purposes; any suggestion otherwise is unfounded and misleading.

The County's travel policies allow for an exception to the GSA rate when staying at a conference hotel. Unfortunately, the conference hotel was fully booked by the time the lodging reservation was made, and other lodging arrangements were difficult to come by. After much research to find suitable accommodations near the conference at a rate closet to the GSA rate, the traveler booked alternate lodging at \$243.50 per night, which was only slightly more (\$11.50) than the GSA rate of \$232 per night, but significantly lower than the acceptable conference hotel rate. Upon return, the traveler coordinated with the County Finance Department's Travel Office and sought guidance prior to the submission of the expense report, including the lodging rate of \$243.50, which was ultimately approved by the Travel Office.

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Lodging expenses were reviewed, approved and reimbursed by the Travel Office for the period from October 7th to 12th. The conference took place in Seattle, WA. Given the long flight from Fort Lauderdale to Seattle (approximately 7 hours nonstop), flight schedule, time zone difference, and standard lodging check-in/check-out timing considerations, travel arrangements were made to reach the conference location a day in advance. This allowed the traveler reasonable time to rest, acclimate to the new time-zone, and find safe transit options to ensure timely arrival at the conference. Moreover, the conference program shows October 8-12. The traveler stayed through the end of the conference on October 12th to be able to attend the FTA Capital Investment Grant Program workshop that concluded at 4:00PM on October 12th. Note that the checkout time for the lodging is in the morning around 11:00am and to be able to attend the conference until the end of the day, the night of October 12th was also booked. The traveler was on personal leave on October 13th and October 14th, dates that were not expensed to the County.

After AMS brought this matter to our attention, OCITT has since communicated with the Travel Office to better understand this matter and cure any issues as needed. As it relates to the GSA rate exception, we were advised by the Travel Office that all that would have been needed to approve the alternate GSA rate as part of the Travel Authorization Request (TAR) and Travel Expense Report (TER) was a customary memo from the CITT Executive Director explaining and approving an exception to the GSA rate. The lack of such a memo was an inadvertent oversight by the traveler, her supervisors, and the Travel Office. CITT has since submitted the required memo (attached) and now considers this matter resolved.

As it relates to the "lodging and per diem expenses incurred outside the event window", the Travel Office continues to deem those expenses as acceptable for reimbursement based on recent discussions. However, in keeping with OCITT's ethos of holding ourselves to a higher standard, the traveler will offer -- in an abundance of caution, and to erase even the smallest hint of impropriety -- to return the lodging and per diem expenses reimbursed for the October 7th day of travel.

Additionally, OCITT will conduct regular training to review the County's travel policies and procedures, and prepare a checklist of the travel reimbursement requirements to facilitate the review process moving forward.

While OCITT acknowledges the general recommendation, OCITT respectfully requests that the final audit report be revised to more accurately represent these facts, considering the coordination and transparent communication the traveler had with the County's Travel Office, the Travel Office's review and approval of the submitted TAR/TER, and the Travel Office's continuing approval of the Traveler's actions and activities upon learning of and considering the concerns raised in this audit report.

AMS "Financial" Recommendation #3

OCITT should adhere to AO 03-06 and Procedure No. 326 regarding Petty Cash reimbursement and evaluate reducing the amount of petty cash on hand to better match their needs.

CITT/OCITT's Response

While all petty cash has been accounted for, and all reimbursements were found to be for legitimate purposes, the OCITT acknowledges AMS' procedural findings that receipts for petty cash reimbursement were not always submitted within the required 30 days, and that one

CITT/OCITT Response to Draft Audit Report
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receipt was missing a submission date.

Although all petty cash reimbursements are preauthorized by a supervisor, each individual submittal was not necessarily signed by that supervisor. AMS indicated that three of the ten reimbursements reviewed did not include the vendor. However, each transaction was accompanied by a purchase receipt.

OCITT will ensure that AO 03-06 and *Procedure No. 326* regarding Petty Cash reimbursement will be strictly adhered to moving forward, and will consider either reducing the amount of petty cash on hand, or eliminating it all together, as recommended.

Reimbursements

AMS "Reimbursements" Recommendation #1

The DTPW reimbursement process should be reconsidered to a process similar to the municipalities. Annually the budgeted amounts for Pay as You Go, Operations & Maintenance, Capital Expansion Reserve Fund, and Bond Service Administration fees should be disbursed to DTPW.

CITT/OCITT's Response

The CITT/OCITT acknowledge AMS' recommendation, however we feel that the current reimbursement process allows for proper review and greater accountability prior to releasing payment. Therefore, the OCITT will continue the reimbursement process for DTPW. However, we agree with the discontinuation of DTPW's quarterly submittal of the bond reimbursement request.

AMS "Reimbursements" Recommendation #2

DTPW should provide detailed spending updates to the CITT, at a minimum quarterly, as part of their Quarterly Performance presentation.

CITT/OCITT's Response

The CITT/OCITT agree with AMS' recommendation and will work with DTPW to have detailed spending updates included in their Quarterly Performance update or in another report format as agreed upon with DTPW.

AMS "Reimbursements" Recommendation #3

OCITT should ensure staff are trained to review the expenditures, investigate questionable invoices, and determine they are eligible uses of the Surtax monies for approved Projects.

CITT/OCITT's Response

OCITT staff has continuously requested, investigated and questioned invoices submitted by DTPW. As construction continues to progress on many of the projects, the quantity of invoices and backup has become too voluminous for our limited staff to investigate fully.

Prior to AMS' audit, OCITT discussed this matter internally and concluded that by signing and

CITT/OCITT Response to Draft Audit Report
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submitting the reimbursement request, DTPW is self-certifying that all invoices/expenditures have been vetted prior to making payment. OCITT will continue with our current review process to ensure that projects are budgeted, remain within budget, and have been approved by CITT in addition to spot checking invoices.

To verify/validate DTPW's "self-certification," OCITT has historically engaged and relied on AMS to thoroughly review DTPW's expenditures, investigate questionable invoices, and determine eligible use of the Surtax funds during their periodic audits of DTPW. In light of this finding/recommendation, OCITT may request more regular audits of DTPW by AMS, or if AMS is unwilling/unable to do so, we will explore other options.

AMS "Reimbursements" Recommendation #3a (If the reimbursement process is to continue:)

DTPW should have written Policies and Procedures which document the procedures for preparing and submitting the various reimbursement packages and ensure that personnel are trained and familiar with the various reimbursement packages.

CITT/OCITT's Response

The CITT/OCITT concur with the recommendation and defer to DTPW on a response.

AMS "Reimbursements" Recommendation #3b

DTPW should review the reimbursement packages for accuracy and completeness prior to submitting to OCITT. A checklist for each package will facilitate the review for approval.

CITT/OCITT's Response

The CITT/OCITT concur with the recommendation and defer to DTPW on a response.

AMS "Reimbursements" Recommendation #3c

OCITT should have written Policies and Procedures which document in detail the procedures for reviewing and processing the various reimbursement packages and ensure that more than one person is trained and familiar with the process. The communication of disbursement for the reimbursement request should be done consistently.

CITT/OCITT's Response

The CITT/OCITT concur with the recommendation. OCITT will update the current Policies and Procedures Manual to include more detailed procedures for reviewing and processing reimbursement packages. OCITT will work with DTPW to determine a timeframe for which reports are to be submitted to OCITT. The Policies and Procedures Manual will be available to all staff members on our shared drive, and will be reviewed/updated regularly to ensure that it remains current.

AMS "Reimbursements" Recommendation #3d

OCITT, as part of the review process, should review the supporting documentation to ensure expenditures are eligible and approved use of Surtax funding.

CITT/OCITT's Response

Prior to AMS' audit, OCITT discussed this matter internally and concluded that by signing and submitting the reimbursement request, DTPW is self-certifying that all invoices/expenditures have been vetted prior to making payment. OCITT will continue with our current review process to ensure that projects are budgeted, remain within budget, and have been approved by CITT in addition to spot checking invoices.

To verify/validate DTPW's "self-certification," OCITT has historically engaged and relied on AMS to thoroughly review DTPW's expenditures, investigate questionable invoices, and determine eligible use of the Surtax funds during their periodic audits of DTPW. In light of this finding/recommendation, OCITT may request more regular audits of DTPW by AMS, or if AMS is unwilling/unable to do so, we will explore other options.

Municipal Oversight

AMS "Municipal Oversight" Recommendation #1

OCITT should prepare a detailed electronic checklist for the tracking and review process for submissions from the municipalities.

CITT/OCITT's Response

The OCITT currently monitors the tracking and reviewing process for submission from the municipalities using an organized, tangible, checklist method. In order to create a more permanent and easily referenced checklist, the OCITT will explore options for maintaining this information in an enhanced format per AMS' recommendation.

AMS "Municipal Oversight" Recommendation #2

OCITT should enhance its review of the financial records and quarterly reports, including consideration for staffing with more financial review experience, to ensure that the PTP fund expenditures in the financial records resemble the expenditure total submitted in the quarterly reports. Significant variances or discrepancies should be questioned so they can be addressed timely.

CITT/OCITT's Response

The OCITT continues to enhance its reporting requirements for municipalities. As an example, OCITT now requires more comprehensive financial data from municipalities in their quarterly and annual reports.

OCITT has historically engaged and relied upon AMS to identify any variances in financial records submitted by the municipalities during their audit. Since most municipalities are not audited annually, we agree that a preliminary review of their financial records and/or quarterly reports can improve OCITT's monitoring of municipal PTP usage as well as reduce the number of repeat audit findings.

We will consider employing additional personnel and/or outsourcing some municipal financial review functions to assist with these enhanced activities.

AMS “Municipal Oversight” Recommendation #3

OCITT should monitor the unspent balances and carryover credit balances to ensure the amounts are used within the mandated five-year period.

CITT/OCITT’s Response

The CITT/OCITT concur that the unspent balances and carryover credits should be monitored more closely to ensure that they are used within the five-year period, however we maintain that this is one of the key purposes for which we engage AMS to conduct thorough audits of the County and municipalities. The CITT/OCITT’s enhanced tracking of these balances can be supplemental to, but not supplant, the role of the auditor to complete this function. If AMS is unwilling/unable to perform this function, we will explore other options.

AMS “Municipal Oversight” Recommendation #4

OCITT should carefully review and understand the findings and recommendations from the Surtax audit reports for municipalities to assist them in resolving those findings. Track the findings for all the municipalities and monitor annually to ensure they are being addressed.

CITT/OCITT’s Response

The OCITT has initiated a tracking procedure to more closely examine the results and findings of County/municipal audits to more effectively follow up and resolve them. The OCITT will continue to refine this process with the goal of reducing the number of repeat findings.

Conclusion

The CITT/OCITT sincerely appreciate the time and effort put into this comprehensive review, including the “process mapping” that we will incorporate into our Policies and Procedures Manual. The recommendations provide constructive insight into areas for improvement, and we are already working to implement them. We will work closely with all stakeholders to ensure that the CITT/OCITT continues to maintain proper oversight of the taxpayers’ dollars while honoring the voters’ intentions and Code-mandated responsibilities.

As always, please do not hesitate to contact us with any further questions or concerns. We look forward to receiving your final report.


cc: Trust Members
OCITT Staff
Bruce Libhaber, Assistant County Attorney, County Attorney’s Office
Eulois Cleckley, Director, DTPW



Memorandum

Date: August 20, 2024

To: Yamilka Quintas, Accountant III
Finance Department, Travel Office

From: Javier A. Betancourt, Executive Director 
Citizens' Independent Transportation Trust

Re: Approval for Exception to GSA Rate for TER #0000002129

I am hereby lending my approval, and requesting the Travel Office's concurrent approval/authorization, if and as needed, for an exception to the GSA rate for Travel Expense Report (TER) #0000002129 for Kiranmai Chirumamilla (the "Traveler").

The County's travel policies allow for an exception to the GSA rate when staying at a conference hotel. Unfortunately, the conference hotel associated with this travel request was fully booked by the time the lodging reservation was made, and other lodging arrangements were difficult to come by. After much research to find suitable accommodations near the conference at a rate closest to the GSA rate, the Traveler booked alternate lodging at \$243.50 per night, which was slightly (\$11.50) more than the GSA rate of \$232 per night, but significantly lower than the acceptable Conference hotel rate.

Upon return from the Conference, the Traveler once again coordinated with the Travel Office and sought guidance prior to the submission of the TER, including the alternate lodging rate of \$243.50, which was ultimately approved by the Travel Office.

It was later brought to our attention by the County's Audit and Management Services Department ("AMS") as part of an audit of the OCITT that the Traveler's alternate lodging rate did not comply with the County's Travel policies, as the rate slightly exceeded the GSA rate. Upon discussing this with the Travel Office, we were advised that all that would have been needed to approve the alternate rate as part of the TAR/TER was a customary memo from the CITT Executive Director explaining and approving an exception to the GSA rate. The lack of such a memo was an inadvertent oversight by the Traveler, her supervisors, and the Travel Office.

To remedy this matter, and per the Travel Office's recommendation, I am hereby lending my approval for an exception to the GSA rate for this travel and requesting the Travel Office's concurrent approval/authorization of the same, if and as needed.

If, in order to fully cure this issue, your office requires any additional actions to be taken, including, for instance, a reimbursement of the difference between the alternative lodging rate and the GSA rate by the Traveler, please inform us accordingly.

Should you have any questions or need additional information, please do not hesitate to contact me at 305.375.1357.

c: Monica Cejas, OCITT
Vontressia Walker, OCITT
Kiranmai Chirumamilla, OCITT
Ofelia Tamayo, AMS
Sara Orosco, Finance Department




Attachment II

Transportation and Public Works
Office of the Director
701 N.W. 1st Court • 17th Floor
Miami, Florida 33136
Tel: 786-469-5675 Fax: 786-469-5580

Date: August 22, 2024

To: Ofelia Tamayo, Director
Audit and Management Services Department

From: Eulois Cleckley, Director and CEO 
Department of Transportation and Public Works

Subject: DTPW Audit Response for Draft Audit Report – Department of Transportation and Public Works, Citizens' Independent Trust and Office of the Citizens' Independent Transportation Trust

The Department of Transportation and Public Works (DTPW) has reviewed the Draft Audit Report – Department of Transportation and Public Works, Citizens' Independent Trust and Office of the Citizens' Independent Transportation Trust dated August 1, 2024, and detailed below are our responses to the observations, findings, and recommendations noted in your report.

Recommendation:

- The CITT should focus on the monitoring, review, and oversight of Surtax Funded projects using mandated criteria to ensure those projects are performing as intended. In lieu of duplicating efforts, encourage OCITT and DTPW to work together for a more comprehensive customer feedback system/process for Surtax funded projects to benefit all users across the County with rewards focused on County services.

Management Response:

DTPW concurs with the recommendation, as we already offer a variety of channels for riders to provide feedback. These include the 'Rate My Ride' feature on our mobile app, the 311 service, the ongoing survey on our website, and our active engagement on social media platforms. Additionally, we are exploring the possibility of reinstating a loyalty program to further incentivize ridership and foster a positive customer experience.

Recommendation:

- OCITT and DTPW should collaborate to ensure that all Surtax funded approved projects are included and reviewed as part of the Five-Year Implementation Plan.

Management Response:

DTPW has conducted a thorough review of all capital projects to determine their eligibility for PTP Surtax funding. With the exception of the two projects listed below, all eligible projects have been



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identified and will be formally requested for inclusion in the Five-Year Implementation Plan through an amendment.

- Project 3000642 Capitalization of Preventative Maintenance and Other Costs is fully funded by federal grant funds and therefore, not required to be included in the 5-Year Implementation Plan.
- Project 3002402 Safety Projects is inactive.

To streamline the collaboration process and ensure timely project approvals, DTPW will engage with OCITT to establish procedures for sharing information more efficiently. This includes obtaining a list of rejected projects well in advance of the CITT approval process. For instance, during the recent review of the Five-Year Plan for Fiscal Years 2024 to 2028, DTPW received notification of rejected projects on November 16, 2023. This short timeframe of less than two weeks before the scheduled CITT vote (November 29, 2023) limited the opportunity for further discussion and confirmation of project eligibility. Providing additional time will enhance collaboration and ensure all eligible projects are included in the Five-Year Implementation Plan.

Recommendation:

- The DTPW reimbursement process should be reconsidered to a process similar to the municipalities. Annually the budgeted amounts for Pay as You Go, Operations & Maintenance, Capital Expansion Reserve Fund, and Bond Service Administration fees should be disbursed to DTPW.
- DTPW should provide detailed spending updates to the CITT, at a minimum quarterly, as part of their Quarterly Performance presentation.

If the reimbursement process is to continue:

- DTPW should have written Policies and Procedures which document the procedures for preparing and submitting the various reimbursement packages and ensure that personnel are trained and familiar with the various reimbursement packages.
- DTPW should review the reimbursement packages for accuracy and completeness prior to submitting to OCITT. A checklist for each package will facilitate the review for approval.

Management Response:

DTPW fully supports the proposed transition from the current reimbursement model to an annual disbursement system since there is no mandate requiring a reimbursement process. Furthermore, this change aligns with the established practices for other PTP Surtax activities and eliminates the loss of interest earnings incurred by DTPW due to cash balance deficits that are characteristic of the reimbursement approach.

If the reimbursement process is to continue:

The department has documented the process to ensure comprehensive training for new employees, minimizing the risk of errors or omissions. Additionally, we will implement the recommended checklist



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for preparing reimbursement packages. This checklist will be attached to each package and signed by the reviewer. The checklist will be implemented for the Q4 submission.

Cc: Melvin Cartagena, Assistant Director and CFO, Department of Transportation and Public Works
Mia Dailey, Controller, Department of Transportation and Public Works
Patricia Prochnicki, Chief, Budget and Performance Reporting