

**TRANSIT ENTERPRISE FUND**  
**(AN ENTERPRISE FUND OF**  
**MIAMI-DADE COUNTY, FLORIDA)**

**SINGLE AUDIT REPORT**  
September 30, 2018

TRANSIT ENTERPRISE FUND  
(AN ENTERPRISE FUND OF MIAMI-DADE COUNTY, FLORIDA)

SINGLE AUDIT REPORTS  
September 30, 2018

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and  
Board of County Commissioners  
Miami-Dade County, Florida  
Miami, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Transit Enterprise Fund ("Transit"), an enterprise fund of Miami-Dade County, Florida (the "County"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated March 22, 2019. As discussed in Note 1, the financial statements present only Transit and do not purport to, and do not, present fairly the financial position of the County, the changes in its financial position, or, where applicable, its cash flows in conformity with accounting principles generally accepted in the United States of America.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Transit's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Transit's internal control. Accordingly, we do not express an opinion on the effectiveness of Transit's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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(Continued)

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Transit's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Transit's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Crowe LLP

Miami, Florida  
March 22, 2019

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM  
AND STATE FINANCIAL ASSISTANCE PROJECT; REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE REQUIRED BY THE UNIFORM GUIDANCE AND  
CHAPTER 10.550 RULES OF THE AUDITOR GENERAL**

The Honorable Mayor and  
Board of County Commissioners  
Miami-Dade County, Florida

**Report on Compliance for Each Major Federal Program and State Financial Assistance Project**

We have audited Transit Enterprise Fund's ("Transit"), an enterprise fund of Miami-Dade County, Florida (the "County"), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of Transit's major federal programs and state financial assistance projects for the year ended September 30, 2018. Transit's major federal program and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of statutes, regulations and the terms and conditions of its federal programs and state financial assistance projects.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Transit's major federal programs and state financial assistance projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state financial assistance project occurred. An audit includes examining, on a test basis, evidence about Transit's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state financial assistance project. However, our audit does not provide a legal determination of Transit's compliance.

### ***Opinion on Each Major Federal Program and State Financial Assistance Project***

In our opinion, Transit complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended September 30, 2018.

### **Report on Internal Control Over Compliance**

Management of Transit is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Transit's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state financial assistance project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state financial assistance project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Transit's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state financial assistance project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state financial assistance project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state financial assistance project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

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(Continued)

**Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by Uniform Guidance and Chapter 10.550, *Rules of the Auditor General***

We have audited the financial statements of Transit as of and for the year ended September 30, 2018, and have issued our report thereon dated March 22, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General* and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated in all material respects in relation to the financial statements as a whole.

  
Crowe LLP

Miami, Florida  
May 06, 2019

TRANSIT ENTERPRISE FUND  
 (AN ENTERPRISE FUND OF MIAMI-DADE COUNTY, FLORIDA)  
 SCHEDULE OF EXPENDITURES OF  
 FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
 Year Ended September 30, 2018

Federal Grant or/State Agency	CFDA No.	Grant Identifying Number	Expenditures	Transfer to Subrecipients
<b>Federal Awards</b>				
<b>U.S. Department of Transportation</b>				
<i>Federal Transit Cluster - Capital Investment Grants:</i>				
FTA - FY 03 Bus Projects	20.500	FL-03-0232	\$ (20,657)	\$ -
FTA - NW 7th Avenue PAC	20.500	FL-03-0311	(1,876)	-
FTA - FY 06 Bus Related Activities	20.500	FL-04-0016	1,714,130	-
FTA - NW 7th Ave. Multimodal PAC-FY 06	20.500	FL-04-0017	(267,733)	-
FTA - Miami Urban Partnership	20.500	FL-04-0036	349,778	-
FTA - State of Good Repair-Bus Replacement Program	20.500	FL-04-0164	52,363	-
FTA - FY 07 Fixed Guideway	20.500	FL-05-0095	(69,665)	-
FTA - FY 08 Fixed Guideway	20.500	FL-05-0100	(5,533)	-
FTA - FY 09 Fixed Guideway	20.500	FL-05-0105	(206,009)	-
Total Federal Transit Cluster - Capital Investment Grants:			1,544,798	-
<i>Federal Transit Cluster - Formula Grants:</i>				
FTA - Capital Funding for Busway Construction	20.507	FL-90-X350	(67,965)	-
FTA - FY06 Formula Grant	20.507	FL-90-X578	1,092,948	-
FTA - FY08 Formula Grant	20.507	FL-90-X674	1,200,420	-
FTA - FY09 Formula Grant	20.507	FL-90-X707	(994,696)	-
FTA - FY11 Formula Grant	20.507	FL-90-X768	470,097	-
FTA - FY12 Formula Grant	20.507	FL-90-X805	106,390	-
FTA - FY13 Formula Grant	20.507	FL-90-X832	1,978,134	-
FTA - FY14 Formula Grant	20.507	FL-90-X843	879,732	-
FTA - FY15 Formula Grant	20.507	FL-2016-004	6,519,487	-
FTA - FY16 Formula Grant	20.507	FL-2016-018	2,635,897	-
FTA - FY17 Formula Grant	20.507	FL-2017-083	1,826,228	-
FTA - FY18 Formula Grant	20.507	FL-2018-062	50,035,051	-
FTA - Bridge Inspection/Bicycle Enhancements	20.507	FL-95-X015	157,443	-
FTA - I-95 Managed Lanes	20.507	FL-95-X033	835,107	-
FTA - 344 Street Park & Ride	20.507	FL-95-X035	(214,264)	-
FTA - University Pedestrian Overpass	20.507	FL-95-X047	233,555	-
FTA - Quail Roost Park & Ride	20.507	FL-95-X052	(16,014)	-
FTA - New Buses for Service on BRT/SUL Routes	20.507	FL-95-X065	184,110	-
FTA - Bridge Inspection FY2013	20.507	FL-95-X066	239,708	-
FTA - FY16 5307 SR836 Express Project	20.507	FL-2016-014	880,967	-
FTA - FY16 5307 Bridge Inspection Grant	20.507	FL-2016-016	179,236	-
FTA - FY17 5307 Bridge Inspection Grant	20.507	FL-2017-073	422,649	-
Total Federal Transit Cluster - Formula Grants:			68,584,220	-
<i>Federal Transit Cluster - State of Good Repair Grants Program:</i>				
FTA - FY15 & FY17-5337 State of Good Repair Formula	20.525	FL-2017-074	236,442	-
FTA - FY2018 5337 State of Good Repair Formula	20.525	FL-2018-058	31,423,304	-
Total Federal Transit Cluster - State of Good Repair Grants Program:			31,659,746	-
<i>Federal Transit Cluster - Bus and Bus Facility Program:</i>				
FTA - FY13-5339 Bus & Bus Facilities Formula	20.526	FL-34-0007	4,743,784	-
FTA - FY14-5339 Bus & Bus Facilities Formula	20.526	FL-34-0012	4,323,750	-
FTA - FY15-5339 Bus & Bus Facilities Formula	20.526	FL-34-0028	3,238,412	-
FTA - FY15-5339 Bus & Bus Facilities Formula	20.526	FL-2016-002	1,325,861	-
FTA - FY16-5339 Bus & Bus Facilities Formula	20.526	FL-2016-019	2,304,663	-
FTA - FY17-5339 Bus & Bus Facilities Formula	20.526	FL-2017-079	4,547,113	-
FTA - FY18-5339 Bus & Bus Facilities Formula	20.526	FL-2018-092	1,676,415	-
Total Federal Transit Cluster - Bus and Bus Facility Program:			22,159,998	-
Total Federal Transit Cluster			123,948,762	-
<i>Transit Services Programs Cluster - Job Access and Reverse Commute Program:</i>				
FTA - JARC FY 08 and 09	20.516	FL-37-X056	353,415	-
FTA - JARC FY 10 and 11	20.516	FL-37-X066	545,253	-
FTA - JARC FY 2012	20.516	FL-37-X081	112,756	-
Total Transit Services Programs Cluster			1,011,424	-
Total U.S. Department of Transportation			124,960,186	-
<b>Total Federal Awards</b>			<b>\$ 124,960,186</b>	<b>\$ -</b>

(Continued)



Federal Grant or/State Agency	CSFA No.	Grant Identifying Number	Expenditures	Transfer to Subrecipients
<b>State Financial Assistance</b>				
<b>Florida Department of Transportation:</b>				
<i>Commission for the Transportation Disadvantaged</i>				
<i>(CTD) Trip and Equipment Grant Program:</i>				
Transportation Disadvantaged FY 18	55.001	G0M64	\$ 3,194,361	\$ -
Transportation Disadvantaged FY 19	55.001	G0X47	<u>1,345,612</u>	<u>-</u>
Total (CTD) Trip and Equipment Grant Program:			4,539,973	-
<i>Commuter Assistance Program / Ride Share Grant Program:</i>				
Dade-Monroe Express	55.007	G0D76	<u>1,083,281</u>	<u>-</u>
Total Commuter Assistance Program / Ride Share Grant Program:			1,083,281	-
<i>County Incentive Grant Program (CIGP):</i>				
Northeast Transit HUB Enhancements	55.008	APV19	<u>(3,233)</u>	<u>-</u>
Total County Incentive Grant Program (CIGP):			(3,233)	-
<i>Public Transit Block Grant Program:</i>				
Public Transit Block Grant Program FY 2018	55.010	G0O16	<u>20,725,631</u>	<u>-</u>
Total Public Transit Block Grant Program:			20,725,631	-
<i>Park and Ride Lot Program:</i>				
Park and Ride - Busway & SW 112 Ave	55.011	G0D62	<u>2,335,000</u>	<u>-</u>
Total Park and Ride Lot Program:			2,335,000	-
<i>Transit Corridor Development Program:</i>				
Kendall Enhanced Bus Service	55.013	AQQ61	39,380	-
Beach Corridor Alignment Bus Purchase	55.013	G0H25	800,000	-
Flagler Max Bus Service	55.013	G0H68	106,482	-
I-95 Phases I & II Bus Purchase	55.013	G0350	<u>860,370</u>	<u>-</u>
Total Transit Corridor Development Program:			1,806,232	-
<i>Intermodal Access Development Program:</i>				
University Pedestrian Overpass	55.014	AQ445	(938)	-
Dadeland North 2 Additional Elevators	55.014	ARK50	105,390	-
Miami Connector Project	55.014	G0J89	<u>461,485</u>	<u>-</u>
Total Intermodal Access Development Program:			565,937	-
<i>Florida Shared-Use Nonmotorized (Sun) Trail Network Program:</i>				
Underline Segment A	55.038	G0M81	<u>215,942</u>	<u>-</u>
Total Florida Shared-Use Nonmotorized (Sun) Trail Network Program:			215,942	-
Total Florida Department of Transportation			<u>31,268,763</u>	<u>-</u>
<b>Total State Financial Assistance</b>			<u>\$ 31,268,763</u>	<u>\$ -</u>

See accompanying notes to the  
Schedule of Expenditures of Federal Awards and State Financial Assistance.

TRANSIT ENTERPRISE FUND  
(AN ENTERPRISE FUND OF MIAMI-DADE COUNTY, FLORIDA)  
NOTES TO SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
Year Ended September 30, 2018

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the activity of all federal programs and state financial assistance projects of Transit Enterprise Fund (Transit) for the year ended September 30, 2018, and is presented on the accrual basis of accounting. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies are included in the accompanying Schedule.

The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*. Because the Schedule only presents a selected portion of the operations of Transit, it is not intended to and does not present the financial position, changes in financial position or cash flows of Transit.

Expenditures are recognized following cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Transit has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Transit did not receive any non-cash assistance, including Federal Insurance, during the fiscal year.

**NOTE 2 - NEGATIVE EXPENDITURES**

Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

TRANSIT ENTERPRISE FUND  
 (AN ENTERPRISE FUND OF MIAMI-DADE COUNTY, FLORIDA)  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 Year Ended September 30, 2018

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**SECTION I - SUMMARY OF AUDITORS' RESULTS**

FINANCIAL STATEMENTS

Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified	No
Significant deficiency(ies) identified	None reported
Noncompliance material to financial statements noted	No

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Internal control over major federal programs and state projects:	
Material weakness(es) identified	No
Significant deficiency(ies) identified	None Reported
Type of auditors' report issued on compliance for major programs	Unmodified
Audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.550	No

Identification of major programs:

<u>CFDA/CSFA Number</u>	<u>Name of Program</u>
<u>Federal:</u>	
20.500/20.507/20.525/20.526	Federal Transit Cluster
<u>State:</u>	
55.007	Commuter Assistance Program
55.011	Park and Ride Program
55.010	Public Transit Block Grant

Dollar threshold used to distinguish between Type A and Type B programs:	
Federal	\$3,000,000
State	\$ 938,063
Auditee qualified as low-risk	Yes

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(Continued)

TRANSIT ENTERPRISE FUND  
(AN ENTERPRISE FUND OF MIAMI-DADE COUNTY, FLORIDA)  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended September 30, 2018

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

No items noted.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No items noted.

**SECTION IV - STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

No items noted.

TRANSIT ENTERPRISE FUND  
(AN ENTERPRISE FUND OF MIAMI-DADE COUNTY, FLORIDA)  
SUMMARY OF PRIOR YEAR AUDIT FINDINGS  
Year Ended September 30, 2018

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**SUMMARY OF PRIOR AUDIT FINDINGS**

There were no prior audit findings.