



# Florida Department of TRANSPORTATION

## Office of Inspector General Kristofer B. Sullivan, Inspector General

DocuSigned by:

*Kristofer B. Sullivan*

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Audit Report No. 23P-006  
Performance Measures Fiscal Year 2021-22

July 14, 2023

### What We Did

The Office of Inspector General (OIG) conducted a Performance Measures Assessment pursuant to Section 20.055(2)(b), Florida Statutes (F.S.) (2022). We assessed the validity and reliability of four performance measures reported in the 2023-24 Department of Transportation's (Department) Long-Range Program Plan (LRPP) for Fiscal Year (FY) 2021-22.

### What We Found

We assessed the following four performance measures (see Table 1):

Table 1 – Assessment of LRPP Performance Measures

Responsible Office	LRPP Performance Measure Reviewed	Valid	Reliable
Seaport Office	1. Number of Florida cruise passenger embarkments and disembarkments	No*	No
Construction Office	2. Percentage increase in number of days required for completed construction contracts over original contract days (less weather days)	Yes	Yes
Construction Office	3. Percentage increase in final amount paid for completed construction contracts over original contract amount	Yes	Yes
Toll Operation (Turnpike)	4. Total cost per Active SunPass Account	Yes	Yes

\* We determined this measure is a valid indicator of that which it purports to measure; however, it is not a valid measure of the performance of the Seaport Office.

Source: Auditor testing

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**We determined** the performance measure in the Seaport Office is a valid indicator of that which it purports to measure; however, it is not a valid measure of the performance of the Seaport Office. The Department has little, if any, impact on these figures. Additionally, **we determined** that the performance measure data used by the Seaport Office is not reliable.

**We determined** the two performance measures in the Construction Office are valid indicators of which they purport to measure. Additionally, **we determined** the data utilized for the two measures is reliable due to the process controls in place, a robust quality assurance process, and consistent data collection methodology.

**We determined** the performance measure in the Florida Turnpike Enterprise is a valid indicator of which it purports to measure. Additionally, **we determined** the data utilized for the measure is reliable due to the process controls in place, a robust quality assurance process, and consistent data collection methodology.

### **What We Recommend**

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**We recommend** the Seaport Office Manager work with the Office of Policy Planning (OPP) Manager to develop a performance measure that is representative of their duties, responsibilities, and program goals.

**We also recommend** the Seaport Office Manager consider developing a desk procedure for performance measure reporting containing elements including but not limited to the following:

- Well-defined data retrieval process;
- How to conduct the calculation;
- Defined roles;
- Timing elements; and
- Quality assurance.

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**BACKGROUND AND INTRODUCTION**

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The Government Accountability and Performance Act of 1994 requires state agencies to implement performance-based program budgeting, which includes establishing legislatively approved performance measures and standards. Additionally, Section 216.013, Florida Statutes, (F.S.) (2022), requires state agencies to develop a Long-Range Program Plan (LRPP) that is policy-based, priority driven, accountable, and developed through careful examination and justification of all agency programs. The statute requires the submission of the LRPP, including prior year performance data, no later than September 30 of each year.

Section 20.055(2)(b), F.S. (2022), requires the Office of Inspector General (OIG) to assess the validity and reliability of the performance measures information reported by the Department of Transportation (Department) and make recommendations for improvement. To comply with these requirements, we reviewed four legislatively approved Fiscal Year (FY) 2021-22 performance measures reported in the Department's FY 2023-24 LRPP.

For this assessment, we used the following definitions from the FY 2023-24 LRPP:

**Validity** - The appropriateness of the measuring instrument in relation to the purpose for which it is being used.

**Reliability** - The extent to which the measuring procedure yields the same results on repeated trials and data are complete and sufficiently error free for the intended use.

As part of our assessment, we reviewed each responsible office's measure procedures and the Department's LRPP to identify the intended purpose for each measure reviewed. We also identified when each measure was last assessed and the results to determine the measures to review.

The Seaport Office measure was last assessed in 2020. Although not scheduled for an OIG review this fiscal year, the title of the measure was changed by the Seaport Office in the most recent edition of the LRPP. The measure was added for review. It was identified in the prior three audits (10P-1003, 15P-3001, and 20P-006), while the measure "number of cruise passenger embarkments and disembarkments at Florida Ports" was a valid indicator of what the Seaport Office purports to measure, the measure itself was not a valid indicator of overall Department performance.

The Construction Office LRPP measures were last assessed in 2014. In the 2015 OIG Advisory Memorandum 15P-3001, the two measures were determined to be valid and reliable measures for the performance of the program area measured.

The Toll Operations (Turnpike) LRPP measure was a new measure for the period of FY 2018-19. As such, it was included in this audit to provide an initial assessment of its validity and reliability as a performance measure.

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**RESULTS OF REVIEW**

As shown in Table 2, we determined:

- all four performance measures were valid indicators of that which they purported to measure;
- three of the four performance measures were valid measures of the performance of the Department; and
- three of the four performance measures provided reliable data that supported what was being measured.

Table 2 - Assessment of Long-Range Program Plan Performance Measures

<b>Responsible Office</b>	<b>LRPP Performance Measure Reviewed</b>	<b>Valid</b>	<b>Reliable</b>
Seaport Office	1. Number of Florida cruise passenger embarkments and disembarkments	No*	No
Construction Office	2. Percentage increase in number of days required for completed construction contracts over original contract days (less weather days)	Yes	Yes
Construction Office	3. Percentage increase in final amount paid for completed construction contracts over original contract amount	Yes	Yes
Toll Operations (Turnpike)	4. Total cost per Active SunPass Account	Yes	Yes
* We determined this measure is a valid indicator of that which it purports to measure. However, it is not a valid measure of the performance of the Seaport Office.			

Source: Auditor testing

**Finding 1: Number of Florida Cruise Passenger Embarkments and Disembarkments**

**We determined** this measure is a valid indicator of that which it purports to measure for the Seaport Office. However, **we also determined** the measure is not an accurate assessment of Seaport Office performance. There are several factors outside the control of the Department that negatively affect the validity of this performance measure such as economic conditions and global pandemics.

**We also determined** the performance measure is not reliable due to a lack of sufficient internal controls, no repeatable procedure in place, and a lack of a quality assurance review of the reported measures. Additionally, the data could not successfully be traced back to the reporting system used to retrieve the data. The Seaport Office does not have control of the source of this data, receiving the data via Outlook Email from Florida seaports.

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**We also determined** the data reported to the Legislature and the Office of Policy Planning was incorrect for the Fiscal Year 21-22. The data reported was not calculated in accordance with the methodology to be used, as outlined in the supporting documentation supplied by the Seaport Office. The performance measure data was incorrectly collated resulting in a difference of 22,638 passengers.

**We recommend** the Seaport Office Manager work with the Office of Policy Planning (OPP) Manager to develop a performance measure that is representative of their duties, responsibilities, and program goals.

**We also recommend** the Seaport Office Manager implement a desk procedure for its performance measure that provides specific instruction for the calculation of number of Florida cruise passenger embarkments and disembarkments. The desk procedure should include elements such as a well-defined data retrieval process, calculation instructions, defined roles, timing elements, and quality assurance.

**Finding 2: Percentage Increase in Number of Days Required for Completed Construction Contracts Over Original Contract Days (less weather days)**

**We determined** the measure is a valid indicator of which it purports to measure. Additionally, **we determined** the data that is utilized for the measure is reliable. We reviewed the process controls in place, and the collection methodology for the measure. The Construction Office has an effective process to ensure accuracy, intended use, and completeness of data. The performance measure is also aligned with the Department's business model, and all data related to the measure was included in the calculation. The Construction Office provides sufficient controls and procedures to promote data accuracy for the performance measure.

**Finding 3: Percentage Increase in Final Amount Paid for Completed Construction Contracts Over Original Contract Amount**

**We determined** the measure is a valid indicator of which it purports to measure. Additionally, **we determined** the data that is utilized for the measure is reliable. We reviewed the process controls in place, and the collection methodology for the measure. The Construction Office has an effective process to ensure accuracy, intended use, and completeness of data. The performance measure is also aligned with the Department's business model, and all data related to the measure was included in the calculation. The Construction Office provides sufficient controls and procedures to promote data accuracy for the performance measure.

**Finding 4: Total Cost per Active SunPass Account**

**We determined** this measure is a valid indicator of that which it purports to measure for the Florida Turnpike Enterprise. Additionally, **we determined** the data utilized for the

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measure is reliable due to the process controls in place, a robust quality assurance process, and consistent data collection methodology. We examined the desk procedure in place and found that it provides guidance for ensuring the reliability of the data. The data is supplied by the SunPass Accounting Office, the Florida Accounting and Information Resource,<sup>1</sup> and Conduent.<sup>2</sup>

An annual internal control audit is performed by a Certified Public Accountant at the state level; further, calculated results are compared to historic results for reasonableness. Once the measure is reported in the LRPP, any fluctuations of data are reviewed by members of the Turnpike Finance Office.

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<sup>1</sup> The Florida Accounting Information Resource (FLAIR) is a double entry, computer-based, general ledger accounting system, which is utilized to perform Florida's accounting and financial management functions.

<sup>2</sup> Conduent State and Local Solutions, Inc. (Conduent) is a technology-led business process services company that handles toll collection for Florida.

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**APPENDIX A – Purpose, Scope, and Methodology**

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The **purpose** of this engagement was to meet the statutory requirement in Section 20.055, Florida Statutes (2022), to assess the validity and reliability of legislatively approved performance measures and make recommendations for improvements, if needed.

The **scope** of the assessment included all information and documentation related to the following four performance measures reported in the Department's 2023-24 LRPP for the fiscal year 2021-22:

- Number of Florida cruise passenger embarkments and disembarkments;
- Percentage increase in number of days required for completed construction contracts over original contract days (less weather days);
- Percentage increase in final amount paid for completed construction contracts over original contract amount; and
- Total cost per active SunPass account.

The **methodology** included:

- reviewing applicable statutes, rules, and procedures;
- reviewing prior advisory reports and working papers;
- interviewing appropriate Department management and staff regarding the performance measure processes;
- reviewing data sources, data collection, measure definitions, and methodologies; and
- testing of available data.



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**APPENDIX B – Management Response**

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**Seaport Office**

On July 12, 2023, the OIG received the following response from Lauren Rand, Seaport Office Manager:

**Finding:** We determined this measure is a valid indicator of that which it purports to measure for the Seaport Office. However, we also determined the measure is not an accurate assessment of Seaport Office performance. There are several factors outside the control of the Department that negatively affect the validity of this performance measure such as economic conditions and global pandemics.

We also determined the performance measure is not reliable due to a lack of sufficient internal controls, no repeatable procedure in place, and a lack of a quality assurance review of the reported measures. Additionally, the data could not successfully be traced back to the reporting system used to retrieve the data. The Seaport Office does not have control of the source of this data, receiving the data via Outlook Email from Florida seaports.

We also determined the data reported to the Legislature and the Office of Policy Planning was incorrect for the Fiscal Year 21-22. The data reported was not calculated in accordance with the methodology to be used, as outlined in the supporting documentation supplied by the Seaport Office. The performance measure data was incorrectly collated resulting in a difference of 22,638 passengers.

**Recommendation:** We recommend the Seaport Office Manager work with the Office of Policy Planning (OPP) Manager to develop a performance measure that is representative of their duties, responsibilities, and program goals.

We also recommend the Seaport Office Manager implement a desk procedure for its performance measure that provides specific instruction for the calculation of number of Florida cruise passenger embarkments and disembarkments. The desk process should include elements such as a well-defined data retrieval process, calculation instructions, defined roles, timing elements, and quality assurance.

**Response to Finding:** We concur with the finding and recommendation.

**Corrective Action:**

- a. The Seaport Office Manager will work with the Office of Policy Planning Manager to develop a performance measure that is representative of the duties, responsibilities, and program goals.
- b. The Seaport Office has developed and posted a desk procedure for performance measure reporting. The new desk procedure is located on the Department's Seaport Office SharePoint Site.

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**Estimated Completion Date:**

- a. Initial discussions have occurred, and intent is to revise the performance measure during the Long-Range Program Plan update.
- b. Completed.

**Construction Office**

On June 9, 2023, the OIG received the following response from Tim Lattner, Director of the Office of Construction:

We do not have a response.

**Toll Operations (Turnpike)**

On June 9, 2023, the OIG received the following response from Nicola Liquori, Executive Director, and Chief Executive Officer for the Florida Turnpike Enterprise:

Thank you for the opportunity to review and provide comment. We do not have a written response for this report. I would like to mention our appreciation for the professionalism from the OIG team in planning and conducting this scope of work.

**Office of Policy Planning**

On June 21, 2023, the OIG received the following from Dana Reiding, Forecasting and Trends Manager for the Office of Policy Planning:

We do not have a response.

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**DISTRIBUTION**

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**Responsible Manager:**

Huiwei Shen, Chief Planner  
Dana Reiding, Manager, Forecasting and Trends Office  
Regina Colson, Performance Coordinator, Office of Chief Planner  
Lauren Rand, Interim Chief, Modal Development  
Timothy Lattner, P.E., Director, Office of Construction  
Quinton Tillman, P.E., State Construction Systems Engineer  
Nicola Liquori, CPA, Executive Director, Florida's Turnpike Enterprise  
Juan I. Gomez-Lobo Rodriguez, Director, Toll Operations

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**PROJECT TEAM**

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Engagement was conducted by:  
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Under the supervision of:  
Paul Lowery, Senior Audit Supervisor  
Amy Furney, Deputy Audit Director for Performance and Information Technology  
Joseph W. Gilboy, Director of Audit

Approved by:  
Kristofer B. Sullivan, Inspector General

**STATEMENT OF ACCORDANCE**

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The Department's mission is to provide a safe transportation system that ensures the mobility of people and goods, enhances economic prosperity, and preserves the quality of our environment and communities.

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

This work product was prepared pursuant to section 20.055, Florida Statutes, in accordance with the Association of Inspectors General *Principles and Standards for Offices of Inspector General*, and conforms with The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

Please address inquiries regarding this report to the Department's Office of Inspector General at (850) 410-5800.