



Florida Department of TRANSPORTATION

Office of Inspector General Kristofer B. Sullivan, Inspector General

Audit Report No. 211-009
Pinellas Suncoast Transit Authority

DocuSigned by:

Kristofer B. Sullivan

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June 6, 2022

What We Did

The Florida Department of Transportation's (Department) Office of Inspector General (OIG) conducted an audit of the Pinellas Suncoast Transit Authority (PSTA) accounting and financial management policies, procedures, and processes. Additionally, we reviewed required agreement reports and evaluated financial management controls of funds in accordance with the Federal Regulations, Florida Statutes, Department policies, procedures, and Grant Agreement (Agreement). This audit was conducted as part of our annual work plan for the fiscal year (FY) 2020-21. The scope of this audit included Agreements G0Z47 and G1C17 from FY 2018-21.

What We Found

We determined PSTA has adequate policies and procedures to support its accounting and financial management processes in accordance with the Federal Regulations, Florida Statutes, Department policies, procedures, and Agreements.

We determined PSTA has complied with stipulations in the Agreements regarding submission of required documentation to the Department. **We observed** an opportunity for PSTA to improve progress reporting by documenting steps taken towards goal achievement and workflow for a more comprehensive status report of the project.

We determined PSTA is compliant with the use of the funds allocated for the Agreements and expended for allowable activities. **We also determined** that PSTA could improve internal controls for timely submission of invoices and supporting documentation for cost reimbursement as required by the Florida Statutes, the Department, and Agreements.

What We Recommend

We recommend the Transit Manager coordinate with District Seven staff to ensure that processes and procedures for corrected invoices are documented in accordance with Department guidelines for all subrecipients.

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We recommend the Transit Manager coordinate with District Seven and PSTA to strengthen controls for timely submission. For example, by creating a documented tracking process, which includes all invoices and their stages of processing, an internal checklist that can establish a schedule for random review of supporting documentation from consultants and vendors, and a refresher training on the invoice reimbursement process. Additionally, the Department could require a progress report if no deliverables have occurred during the quarter.

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BACKGROUND AND INTRODUCTION

Public transit services provide essential linkages between different modes of transportation. The Florida Department of Transportation (Department) Transit Office consists of three sections (Grants and Procurement; Transit Operations; Transit Planning), each of which has specific areas of responsibility. Transit services provides numerous opportunities to move people and goods through multiple modes including highways/streets, air, rail, sea, spaceports, transit, and bicycle & pedestrian facilities.

Transit grants subsidize operational costs of transit agencies or enable vehicle purchases, unlike other grant programs (which typically support construction costs). To avoid operating deficits, many transit grantees combine multiple awards from different federal and state sources with revenues from programs administered by other state agencies (e.g., Transportation Disadvantaged [TD] or Medicaid). Some operational grants awarded by the Department may fund specific routes for specific purposes, while others may subsidize the overall budget of the transit agency.

Transit Criteria and Funding

Transit agencies that receive federal funding are required to follow Title 2, Part 200, Code of Federal Regulations (C.F.R.), otherwise known as the Uniform Grant Guidance, to manage their federally assisted grants. Accordingly, all pass-through entities must ensure that their subrecipients are following the federal requirements.

- **Transit Authority:** A transit authority is a government agency, or a public-benefit corporation created for the purpose of providing public transportation within a specific region. A transit district may operate bus, rail or other types of transport including ferry service, or may operate other facilities. Transit provider, operates public transportation services, and includes states, local and regional entities, public and private entities.

The Department is designated under subsections 20.05(1)(a) & (b), 20.23(1)(a), and 341.051(1)(a), Florida Statutes, to implement Federal Transit Administration (FTA) programs which are found in Chapter 49 of the United States Code (U.S.C.): 5310 (Programs for capital projects planned, designed and carried out to meet special needs of elderly and individuals with disabilities), 5311 (Formula program that funds capital and operating assistance in rural areas) and 5339 (Buses and Bus Facilities Grants Program).

Pinellas Suncoast Transit Authority (PSTA) Background

PSTA was created in 1984 via a merger of the St. Petersburg Municipal Transit System and the Central Pinellas Transit Authority to provide Pinellas County with a cohesive public transit system. Pinellas County is 280 square miles with approximately 970,532 residents. Pinellas County is located along the west coast of Florida and includes a corridor of smaller beach communities along the Gulf of Mexico.

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Pinellas County is the second smallest county in the state of Florida. PSTA serves most of the unincorporated area and 22 of the county's 24 municipalities. This accounts for approximately 98% of the county's population and of its land area. Services include fixed routes, demand responses, and specialized services. Subsection 343.92, F.S. (2021), provides that Pinellas County Transit Authority operates as an independent authority as a part of the Tampa Bay Area Regional Transit Authority.

PSTA is governed by a board of directors comprised of thirteen elected officials, and two non-elected officials, one of which is appointed by the Pinellas County Board of Commissioners and the other by the St. Petersburg City Council. Each year, the Board is required to adopt an annual budget before the beginning of the fiscal year. The budget serves as a financial plan in support of PSTA's mission and strategic plan. It includes the fiscal year operating budget and capital plan necessary to accomplish the operational initiatives, along with a multi-year capital plan covering five years.

The PSTA Board adopted the FY 2021 operating and capital budget totaling \$162.5 million. To fund its operations, PSTA relies upon revenue from state, federal, and local sources. PSTA receives federal and state assistance in the form of grants. Local revenues are generated through ad valorem taxes, passenger fares, and advertising revenues.

PSTA's Relationship with the Department

PSTA receives transit capital assistance and operating assistance grants that are pass-through funds from the Department. PSTA also receives Federal Transit Administration (FTA) funds, and the state matches those funds that are used in Transit grants. PSTA, located within the geographic location of the Department's District Seven (District), there is an assigned grant manager who is responsible for oversight of the Transit funds to ensure compliance with both federal and state statutes and regulations. The Department's role with regards to PSTA agreements is to support and oversee PSTA in their planning process. The Department provides both technical support by a District contract manager and financial support as a pass-through entity for funds. PSTA and the Department have executed agreements, "Public Transportation Joint Participation Agreement" and "Public Block Transportation Grant Agreement" (Agreement). These agreements state the terms and conditions upon which the FTA and Department funds will be provided and sets forth the way work deliverables, tasks, and subtasks with PSTA's budget will be undertaken and completed.

PSTA currently has a total of 19 active state grants with the Department. These state grants are funded primarily through the Public Transit Block Grant Program, the Transit Corridor Program, the Public Transit Service Development Program, and the Commission for the Transportation Disadvantaged (CTD). The purpose of the state grants are for state infrastructure, transit corridor improvement, the park and ride lot program, trips for the transportation disadvantaged and the operation of public transit services. All state grants awarded to transit agencies are cost reimbursement grants.

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RESULTS OF REVIEW

We conducted an audit of PSTA's with the following objectives:

1. Determine if PSTA written accounting policies and financial management procedures and processes, are in accordance with the Federal Regulations, Florida Statutes, and the Department guidelines and Agreements.
2. Determine whether required reports for selected agreements include all activity of the reporting period, are supported by applicable accounting or performance records, and are fairly presented in accordance with the grant agreements between PSTA and the Department.
3. Determine if the Department funds available to PSTA, contractors, consultants and vendors for selected grant agreements are used and expended only for allowable activities, are supported by the required documentation, and submitted for reimbursement payment in accordance with the Federal Regulations, State Statutes, and the Department guidelines and Agreements.

Finding 1 – Policies and Procedures (Compliant)

We determined that PSTA has adequate policies and procedures to support its accounting and financial management processes in accordance with the Federal Regulations, Florida Statutes, Department policies, procedures, and Agreements.

PSTA's accounting and financial management policies and agreements were reviewed for statutory criteria requirements, procedures to guide processes, and for language that addressed internal controls, in accordance with Federal Regulations, Florida Statutes, Department policies, procedures, and Agreements. The complete criteria used for this finding are in Appendix B.

PSTA Grant's Department primary functions, as documented in the Grants Department Operation Manual, are to:

- identify appropriate funding sources to satisfy PSTA's needs;
- assist and/or prepare grant applications;
- secure approval and receipt of funding;
- assure compliance with grant requirements, laws, rules, and regulations; and
- maintain effective relationships government entities, particularly state and federal transportation agencies, to deliver required operating and capital assistance in a timely and accurate manner.

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PSTA Grant Management and Financial Department has written policies and procedures as required by law and the Department. The following policies and procedures were reviewed for statutory criteria requirements, procedures to guide processes, and language to address internal controls in accordance with Federal Regulations, Florida Statutes, Department policies, procedures, and Agreements.

1. PSTA Procurement Policy
2. Grants Department Operation Manual (Policies and Procedures)
3. FDOT Performance Measures
4. Policies and Procedures for Archives and Records Management
5. Liability-Debt Policy
6. Reserve Policy
7. Fixed Asset Property Recording Accounting
8. Vehicle Donation Policy
9. Whistleblower Policy
10. SF LLL Procedures (Disclosure of Lobbying Activities)

PSTA developed its accounting and financial policies and procedures using the following criteria from Federal Regulations, Florida Statutes, and Department standards:

- 2 C.F.R. 200-Uniform Grant Guidance;
- Subsection 215.97, F.S. (2021) – Florida Single Audit Act – Single Audit Recommendations;
- State statutes;
- Florida Administrative Code;
- Uniformed System of Accounting; and
- Reference Guide for State Expenditure.

PSTA reviews the items below and determines if revisions or updates are needed for policies and procedures on an annual basis:

- Annual Certification and Triennial Review Reports and Recommendations;
- Florida Single Audit Report;
- Department Audit and Monitoring Reports;
- Previous Audits;
- Milestone Progress Reports (MPR) Tool;
- Federal Financial Reports (FFR) Tool; and
- Review of changes to any laws, statutes, regulations, or Department standards and amend agreements when applicable to include revised language.

PSTA conducts meetings with the Executive staff periodically and other internal and/or external parties to discuss existing capital projects, operations, transit bus fleet status, security and safety updates, and future projects as noted in agency operation manual as confirmed during a walkthrough meeting.

These meetings also cover updates on grant utilization, the creation of a projects document(s) that incorporates information submitted and approved by the Director, as well as development of additional presentation materials.

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Review of selected consultant, contractor, and vendor agreements contained compliance language specific to the terms and conditions of the Agreement as stipulated in Section 11 (f) – General Requirements, and all federal, state, and local laws and regulations applicable to the project.

There were no recommendations for this finding.

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Finding 2 – Required Agreement Reports (Compliant)

We determined PSTA has complied with stipulations in the Agreements regarding submission of required documentation to the Department.

Agreements G0Z47 and G1C17 requires that PSTA submit the following documentation and/or reports as evidence of compliance with the agreement terms and service deliverables. Table 1 illustrates documents reviewed against the timelines identified in Agreement. The complete criteria used for this finding are in Appendix B.

Table 1: Required Department Agreement Documents for G0Z47 and G1C17

| Name of Document/Report | Due Date | Date Submitted | Compliant (Yes/No/N/A) |
|--|------------|----------------|------------------------|
| Single Audit Report | 6/30/2021 | 6/15/2021 | Yes |
| Budget-Due Annually | 3/01/2021 | 9/30/2020 | Yes |
| Productivity and Performance Measure Report-Due Annually | 12/31/2021 | 12/05/2021 | Yes |
| Transit Development Plan (TPD) or Update Annually | 9/01/2021 | 8/01/2021 | Yes |
| Progress Reports required with each invoice package. | Quarterly | Quarterly | Yes |

Source: FDOT Enterprise Information Portal-Agreements G0Z47 and G1C17

There was no recommendation for this finding; however, an observation was made for improvement to the progress reports.

Observation 1 – Required Agreement Documents

We observed an opportunity for PSTA to improve progress reporting by documenting steps taken towards goal achievement and workflow for a more comprehensive status report of the project.

Progress reports are a requirement for Agreements G0Z47 and G1C17 as stipulated in Exhibit A. Additionally, in Section 10 (c) Compensation and Payment of the Agreement the Agency is required as a part of the invoice package to submit a progress report on an approved Department form.

Progress reports were submitted to the District with each invoice. Two out of the nine progress reports reviewed had minor errors with dates and were corrected and resubmitted to the District within three business days. Further review of the progress reports submitted for contracts G0Z47 and G1C17 document identical language for each reporting cycle per section except for the date of reporting period, comparative and ridership reports; therefore, providing limited details as to how PSTA measured the overall goal achievement or areas for improvement. PSTA progress reports included a comparative report and ridership report.

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The comparative report shows fare description type (e.g., 1 day trip, 3-day trip, reduced pass, etc.). The survey conducted of riders did not contain a summary of the results. The progress report does not capture information as to how PSTA improved frequency of ridership, any challenges to service delivery, marketing strategies, etc. that could impact the success of the project.

Finding 3 – Financial Management Controls (Partial Compliance)

We determined that PSTA is compliant with the use of the funds allocated for the Agreements and expended for allowable activities. **We also determined** that PSTA could improve internal controls for timely submission of invoices and supporting documentation for cost reimbursement as required by the Florida Statutes, the Department, and Agreements.

PSTA's management controls were tested using the following criteria:

- Section 215.971(1)(d), F.S. (2021);
- State of Florida, Department of Transportation - Public Transit Service Development Program Grant G0Z47;
- State of Florida, Department of Transportation - Public Transit Block Grant G1C17;
- Section 215.86, F.S.;
- Florida Single Audit Act, Part Three, Compliance Monitoring;
- Florida Single Audit Act, Part Five, I Subrecipient Monitoring; and
- Florida Single Audit Act, Part Five, Control Activities.

Additional details regarding these criteria can be found in Appendix B.

We conducted a compliance review on selected PSTA agreements using a judgmental sampling process. We selected Agreements GOZ47 and G1C17. Both the Transit Programs Administrator for District Seven and Pinellas Suncoast Transit Authority Chief Financial Officer submitted invoice packages for review. The selected invoices salary and expenses billed were reviewed to ensure allowable cost, adequate supporting documentation, and the invoice submission date. We also verified the total amounts were properly reconciled to submitted invoice packages and the amounts matched the Florida Accountability Tracking System (FACTS).

Invoice Submittal Compliance

Agreements G0Z47 and G1C17 required that PSTA submit cost reimbursement invoices packages no more than once per month but at least one time per quarter as stipulated in Section 10(C) Compensation and Payment and Exhibit B of the Agreements. The Department's reporting fiscal year is July 1 - June 30. A quarter was deemed to be not applicable if it was the first quarter of the agreement or if the quarter did not have deliverables.

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Additionally, Invoice Compliance with Agreement Requirements was determined through a comprehensive review of the following: dates for services rendered in the previous quarter, date invoice received by District Seven, invoice service period, and subcontractor invoice date and service dates.

Table 2 shows PSTA was compliant 4 of the 11 quarters for Agreement G0Z47 as required with the Department's agreement terms. Agreement G0Z47 was executed on December 21, 2018. Quarter 3 was the first quarter of this Agreement and did not have any deliverables.

Table 2: Agreement G0Z47 – Invoice Compliance with Agreement Requirements

| Quarter Period (FY) | Quarter end month due | Invoice Submitted (Inv.#) | Date Invoice Received by District Seven | Invoice Submittal Compliance |
|----------------------|-----------------------|---------------------------|---|------------------------------|
| Quarter 3 (FY 18/19) | March 2019 | No | N/A | N/A |
| Quarter 4 (FY 18/19) | June 2019 | Yes (#1) | 05/09/2019 | Yes |
| Quarter 1 (FY 19/20) | September 2019 | No | N/A | No |
| Quarter 2 (FY 19/20) | December 2019 | No | N/A | No |
| Quarter 3 (FY 19/20) | March 2020 | No | N/A | No |
| Quarter 4 (FY 19/20) | June 2020 | Yes (#2) | 04/22/2020 | Yes |
| | N/A | Yes (#3) | 04/22/2020 | Yes |
| | N/A | Yes (#4) | 04/22/2020 | Yes |
| Quarter 1 (FY 20/21) | September 2020 | Yes (#5) | 09/29/2020 | Yes |
| Quarter 2 (FY 20/21) | December 2020 | No | N/A | No |
| Quarter 3 (FY 20/21) | March 2021 | No | N/A | No |
| Quarter 4 (FY 20/21) | June 2021 | No | N/A | No |
| Quarter 1 (FY 21/22) | September 2021 | No | N/A | No |
| Quarter 2 (FY 21/22) | December 2021 | Yes (#6) | 12/01/2021 | Yes |
| | N/A | Yes (#7) | 12/01/2021 | Yes |

Source: Pinellas Suncoast Transit Authority invoices submitted to District Seven

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Table 3 shows PSTA was compliant 2 of the 5 quarters for Agreement G1C17 as required with the Department's Agreement terms. Agreement was executed on August 22, 2019. Quarter 1 was the first quarter of this Agreement and did not have any deliverables.

Table 3: Agreement G1C17 – Invoice Compliance with Agreement Requirements

| Quarter Period (FY) | Quarter end month due | Invoice Submitted #) | Date Invoice Received by District Seven | Invoice Submittal Compliance |
|----------------------|-----------------------|----------------------|---|------------------------------|
| Quarter 1 (FY 19/20) | September 2019 | No | N/A | N/A |
| Quarter 2 (FY 19/20) | December 2019 | No | N/A | No |
| Quarter 3 (FY 19/20) | March 2020 | Yes (#1) | 03/17/2020 | Yes |
| Quarter 4 (FY 19/20) | June 2020 | No | N/A | No |
| Quarter 1 (FY 20/21) | September 2020 | No | N/A | No |
| Quarter 2 (FY 20/21) | December 2020 | Yes (#2) | 10/06/2020 | Yes |

Source: Pinellas Suncoast Transit Authority invoices submitted to District Seven

Based on interviews with District Seven and PSTA staff, corrected invoices were submitted without updated invoice dates, which could account for the invoice submission time delay. There was no supporting correspondence provided by District Seven or PSTA staff in accordance with the Department Disbursement Handbook, Section Changes or Corrected Invoices (Pgs. 37-43) and Reference Guide to State Expenditures, Section Invoices (Pgs. 52-54), and Payment Section (Pgs. 67-71), that tracked the corrected invoice process. There were email correspondences for Grant G1C17 that documented Invoice 1 was received after the quarter period due date and was returned for correction by the Department.

District Seven and PSTA contributed some of the delays of the invoice processing to staff turnover. During FY 2020-21, PSTA hired new staff members to assist with the financial management processes.

We recommend the Transit Manager coordinate with District Seven staff to ensure that processes and procedures for corrected invoices are documented in accordance with Department guidelines for all subrecipients.

We recommend the Transit Manager coordinate with District Seven and PSTA to strengthen controls for timely submission. For example, by creating a documented tracking process, which includes all invoices and their stages of processing, an internal checklist that can establish a schedule for random review of supporting documentation from consultants and vendors, and a refresher training on the invoice reimbursement process. Additionally, the Department could require a progress report if no deliverables have occurred during the quarter.

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APPENDIX A – Purpose, Scope, and Methodology

The **purpose** of this engagement was to determine if PSTA accounting and financial management procedures, processes, and documentation are in adherence and maintained in accordance with the Federal Regulations, State Statutes, and Department’s policies, procedures, and Grant Agreements

The **scope** of this audit consisted of the Department Agreements G0Z47 and G1C17 with PSTA for fiscal years 2018-21.

The **methodology** included:

- reviews of relevant laws, rules, regulations, Department policies, and procedures;
- documentation reviews:
 - Grant G0Z47 and G1C17
 - Audit Reports;
- Interviews with District Seven staff and PSTA; and
- examination of performance standards along with financial management processes, procedures, and documentation.

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APPENDIX B – Criteria: Additional Details for Findings 1, 2, and 3

Subsection 20.055, Florida Statutes, (F.S.) (2021)– defines the jurisdiction of the Department’s OIG, including the requirement to: “Conduct, supervise, or coordinate other activities carried out or financed by that state agency for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, its programs and operations.”

Subsection 215.97, (F.S.) (2021)– Florida Single Audit Act (1) (a) (b)(c) – Requires nonstate entities establish financial management and internal controls for State financial assistance in accordance with State and Department guidelines.

Subsection 215.86, (F.S.) (2018) (2021) Management systems and controls – Each state agency and the judicial branch as defined in s.216.011 shall establish and maintain management systems and controls that promote and encourage compliance, economic, and efficient operations, reliability of records and reports, and safeguarding of assets. Accounting systems and procedures shall be designed to fulfill the requirements of generally accepted accounting principles.

Subsection 215.971(d), (F.S.) (2021) – A Subrecipient and recipient must expend funds only for allowable costs resulting from obligations incurred during the specified agreement period.

Florida Single Audit Act, Part Five, Control Activities – Operating policies and procedures are clearly written and communicated. Adequate segregation of duties between performance, review and record keeping. Page 2 of 10

Florida Single Audit Act, Part Five, I. Subrecipient Monitoring – Monitoring–tracking system is established to assure timely submission of required reports (financial reports, performance reports, on-site monitoring).

FDOT Procedures 725-030-030 – details the Florida Department of Transportation Public Transit Office's administration and management of the State Public Transit Block Grant Program.

Public Transit Service Development Program Grant G0Z47 – contains the terms of the agreement between the State of Florida, Department of Transportation (“Department”) and Pinellas Suncoast Transit Authority (Agency) for annual Service Development project operating and capital expenditures at 50% state matching participation.

- Section 10-Compensation and Payment (j) progress reports
- Exhibits A- Project Description and Responsibilities (Progress Reports and Ridership Reports)
- E-Program Specific Terms and Conditions
- F-Contract Payment Requirements and Cost Reimbursement and F.S. 215.97.

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Public Transit Block Grant G1C17– (Agreement) contains the terms of the agreement between the State of Florida, Department of Transportation (“Department”) and Pinellas Suncoast Transit Authority (Agency) for annual Block Grant operating and capital expenditures at 50% state matching participation.

Reference Guide for State Expenditures – provides guidance regarding the requirements applicable to the reimbursement of funds from the State Treasury Department.

Disbursement Operations Manual – is to provide State agencies the requirements and standards applicable to State funds.

Government Accountability Office’s Standards for Internal Controls in the Federal Government (GAO Green Book):

- 12.02 Management documents in policies the internal control responsibilities of the organization.
- 12.04 Management communicates to personnel the policies and procedures so that personnel can implement the control activities for their assigned responsibilities.
- 12.05 Management periodically reviews policies, procedures, and related control activities for continued relevance and effectiveness in achieving the entity’s objectives or addressing risks. If there is a significant change in an entity’s process, management reviews this process in a timely manner after the change to determine that the control activities are designed and implemented appropriately.

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APPENDIX C – Affected Entity Response



April 26, 2022

Jessica Mobley
Deputy Audit Director for Intermodal
Florida Department of Transportation
Office of Inspector General
605 Suwannee Street, MS 44
Tallahassee, FL 32399-0450

Dear Ms. Mobley:

Thank you to you and your team for the time you have spent with PSTA to assist in providing guidance on continuous improvements based on your audit. Our responses are as follows for those areas that had an observation or partial finding as it pertained to PSTA:

Required Agreement Reports Observation

PSTA concurs that progress reports will be more detailed in how goals and improvements are measured. It is important to the recipients of the report to not only understand what is being accomplished, but also the results of those efforts based on the investment of the grant funds, and also if there were any challenges and lessons learned.

Financial Management Controls (Partially Compliant)

PSTA agrees that invoices will be prepared on no less than a quarterly basis in a timely manner. PSTA appreciates that you took into consideration that we encountered staff turnover and vacancies that impacted our performance. To assist in ensuring timeliness of invoicing, the CFO has developed a report that began with PSTA's fiscal year 2022 that outlines all of PSTA's grants, costs incurred or accrued and invoices for actual expenditures and what is left to be invoiced. In addition, for those grants that have been invoiced, we are reviewing outstanding items as part of a monthly reconciliation review meeting between the CFO, Director of Accounting, and the Revenue Accounting and Grants Departments. If anything appears to be aging, PSTA will contact the District to investigate.

Please let me know if you have any questions.

Respectfully submitted,

Deborah Leous
Deborah C. Leous, CGFM
Chief Financial Officer

Cc: B. Miller, CEO
P. Reitz, Manager of Contracts and Grants

Pinellas Suncoast Transit Authority
3201 Scherer Drive • St. Petersburg, FL 33716 • Telephone 770-540-1800

psta.net

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APPENDIX D – Management Response

On May 24, 2022, the OIG received the response from Erin Schepers, Public Transportation Manager on behalf of Elizabeth Stutts, State Transit Manager of the Transit Office:

Finding 3 – Financial Management Controls (Partial Compliance)

Finding: We determined that PSTA is compliant with the use of the funds allocated for the Agreements and expended for allowable activities. We also determined that PSTA could improve internal controls for timely submission of invoices and supporting documentation for cost reimbursement as required by the Florida Statutes, the Department, and Agreements.

Recommendation: We recommend the Transit Manager coordinate with District Seven staff to ensure that processes and procedures for corrected invoices are documented in accordance with Department guidelines for all subrecipients.

We recommend the Transit Manager coordinate with District Seven and PSTA to strengthen controls for timely submission. For example, by creating a documented tracking process, which includes all invoices and their stages of processing, an internal checklist that can establish a schedule for random review of supporting documentation from consultants and vendors, and a refresher training on the invoice reimbursement process. Additionally, the Department could require a progress report if no deliverables have occurred during the quarter.

Response to Finding: We concur with the finding; however, an alternative correction will be taken.

Corrective Action: Central Office will establish an invoice tracking process for District wide use. District input will be requested and considered while establishing this process. The process will consider and may include a portion or in full the recommendation mentioned above.

Estimated Completion Date: December 21, 2022

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Elizabeth Stutts, State Transit Manager
Robert Westbrook, Assistant State Transit Manager, Transit Office
Erin Schepers, Public Transportation Manager, Transit Office

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Pamela Reitz, Manager of Contracts and Grants, Pinellas Suncoast
Transit Authority

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PROJECT TEAM

Engagement was conducted by:
Barbara Brown-Walton, Auditor

Under the supervision of:
Andrea Sistrunk, Senior Audit Supervisor
Jessica Mobley, Deputy Audit Director for Intermodal
Joseph W. Gilboy, Director of Audit

Approved by:
Kristofer B. Sullivan, Inspector General

STATEMENT OF ACCORDANCE

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.