



Florida Department of Transportation
Office of Inspector General
Kristofer B. Sullivan, Inspector General

Department Value Pricing Pilot Program Financial Review
FY 2024-25

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Report No. 26C-006

October 22, 2025

What We Did

At the request of the Florida Department of Transportation's (Department) Office of the Comptroller, the Office of Inspector General conducted an independent review of Department owned toll facility records to verify financial compliance with requirements concerning the limitations on use of revenues as outlined in Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), Public Law 102-240, which establishes the Value Pricing Pilot Program (VPPP).

The scope of the review was the Department's two toll facilities subject to the financial audit requirements of the VPPP for the period July 1, 2024, to June 30, 2025. The VPPP requirement to verify adequate maintenance of the toll facilities is conducted by the Department's Office of Maintenance for Fiscal Year 2024-25 and is outside the scope of this review.

What We Found

We determined the Department's use of toll revenues for the two toll facilities tested complied in all material respects with limitations set forth in the VPPP.

What We Recommend

This report does not contain recommendations, as the review found the transactions were compliant with the applicable VPPP governing requirements.

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BACKGROUND AND INTRODUCTION

At the request of the Florida Department of Transportation's (Department) Office of the Comptroller, the Office of Inspector General (OIG) conducted an independent review of Department owned toll facility records to verify financial compliance with requirements concerning the limitations on use of revenues as outlined in Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), Public Law 102-240, which establishes the Value Pricing Pilot Program (VPPP).

The scope of the review was the two toll facilities owned by the Department subject to the financial audit requirements of the VPPP for the period July 1, 2024, to June 30, 2025.

The compliance requirements for Department owned toll facilities subject to VPPP are outlined in Section 2 of the VPPP Memorandums of Understanding (MOU) between the Federal Highway Administration (FHWA) and the Department:

- (2) Section 1012(b) of the ISTEA, as amended, FDOT will use all revenues received from the operation of the Facility for the operating costs of the project (including project implementation; mitigation measures to deal with adverse financial effects on low-income drivers; the proper maintenance of the facility; any reconstruction, rehabilitation, restoration, or resurfacing of the facility; any debt service incurred in implementing the project; reasonable return on investment of any private person financing the project). There is not a priority in the uses of the project operating costs and any revenues in excess of these costs may be used by FDOT for other projects eligible for assistance under Title 23, United States Code.

Additionally, Section 4 of the VPPP MOUs states:

- (4) That FDOT agrees, upon reasonable notice, to make all of its records pertaining to the Facility subject to audit by the FHWA. The FDOT agrees to annually audit the records of the Facility subject to audit by the FHWA. The FDOT agrees to annually audit the records of the Facility for compliance with the provisions of this Agreement and report the results thereof to FHWA. In lieu of the FDOT performing said audit, a report of the State Auditor or an independent auditor furnished to FHWA may satisfy the requirement of this section.

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The following Department owned toll facilities and associated records are subject to the financial audit requirements of the VPPP:

1. I-95 Express Lanes (Phases 1 and 2)
2. State Road 826 Palmetto Expressway

The I-95 Express Lanes Phases 1, and 2 were built under the Value Pricing Pilot Program (VPPP) and include Miami Dade County and a part of Broward County. Phase 3 is a facility subject to Title 23 United States Code (U.S.C.) Section 129(a)(3) requirements.

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RESULTS OF REVIEW

Finding 1 – Financial Review

We determined the Department’s use of toll revenues complied in all material respects with limitations set forth in the VPPP governing requirements.

We found the governance of toll facility expenditures was outlined in a September 23, 2020, memorandum from the Department’s Office of the Comptroller (OOC) to the Federal Highway Administration (FHWA). The memorandum states in part:

FDOT has a process whereby prior to obligating, the use of those revenues are requested by the district, reviewed for compliance by the Federal Aid Office, reviewed for financial soundness by the Office of Comptroller and Office of Work Program and Budget, and approved/disapproved by the Assistant Secretary of Finance and Administration.

The OOC confirmed this process was in use for Fiscal Year 2024-25.

The auditor retrieved the toll facility expenditure reports from the Comptroller Automation Platform (CAP) for the period of July 1, 2024, to June 30, 2025, consisting of two toll facilities with 719 transactions totaling \$58,232,675. See Figure1.

Figure 1: Summary of Applicable Toll Facility Expenditures

Value Pricing Pilot Program Toll Facilities Summary of Applicable Expenditure Transactions July 1, 2024 to June 30, 2025		
Toll Facility	Transaction Count	Dollars
I-95 Express Lanes (Phase 1 and 2)	634	\$ 56,504,270
State Road 826 Palmetto Expressway	85	\$ 1,728,405
Totals	719	\$ 58,232,675

Source: OIG Prepared Schedule

As part of our testing, we determined 48 transactions were greater than \$250,000. These transactions represented \$32,902,526 of the total \$58,232,675, or 57 percent. Of the 48 transactions, we judgmentally sampled the supporting documentation for five transactions totaling \$4,141,613 of the total \$32,902,526 or 13 percent.

We also tested the supporting documentation of 52 statistically sampled transactions between \$500 and \$250,000, totaling \$1,916,576, selected from the population of 586, totaling \$25,312,120. Of the 52 transactions, 47 were associated with the I-95 Express

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Lanes, totaling \$1,845,136. These lanes were constructed in three phases; Phases 1 and 2 are subject to the VPPP, while Phase 3 is subject to 23 U.S.C. Section 129 requirements. Section 129 and VPPP are subject to the same limitations on the use of revenues, with VPPP having an additional requirement. Although the Department's system that processes tolling activity cannot identify expenditures to a specific phase, the transactions tested complied with 23 U.S.C., Section 129(a)(3) and VPPP. The sampling of transactions to support the determination followed acceptable auditing practices associated with the scope.

This report does not contain recommendations, as the review found the transactions were compliant with the applicable VPPP governing requirements.

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APPENDIX A – Purpose, Scope, and Methodology

The **purpose** of this engagement was to determine if the Department complied with VPPP.

The **scope** of this review includes the expenditures assigned to the Department toll facilities subject to the financial audit requirements of the VPPP for the period of July 1, 2024, to June 30, 2025.

The **methodology** included:

- verifying the Department owned toll facilities subject to VPPP governance with the Project Finance Office;
- reviewing applicable laws, statutes, and Department Memorandum of Understandings with Federal Highway Administration; and
- examining and testing transactions for VPPP compliance.

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APPENDIX B – Management Response

The Office of the Comptroller, Project Finance Office responded on October 13, 2025, by email with the following response:

We will not be submitting any comments on any of the three draft Preliminary and Tentative reviews (Section 129 toll expenditures, VPPP expenditures, or over-the-road bus). Thank you and your team for your hard work on this year's certification. We look forward to receiving the final published reports.

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PROJECT TEAM

Engagement was conducted by:
Erica Liang, Auditor in Charge

Under the supervision of:
Emma Valentin, Senior Audit Supervisor
Ryan Moore, Deputy Audit Director for Contracts
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 using The Institute of Internal Auditors' *Global Internal Audit Standards* as a guide.

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

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OR MISMANAGEMENT.

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