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Department Section 129/Value Pricing Pilot Program Financial Review FY 25-26

Report No. 27C-002 November 5, 2026

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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 if:

- facilities subject to Section 129 comply with financial requirements concerning the limitation on use of revenues as outlined in Title 23 United States Code (U.S.C.), Highways, Chapter 1, Federal-Aid Highways, Section 129, Toll Roads, bridges, tunnels, and ferries, subsection (a)(3);

- over-the-road buses, which serve the public, have access to Florida Turnpike Enterprise's (FTE) toll facilities under the same rates, terms, and conditions as public transportation vehicles as required in Title 23 United States Code (U.S.C.), subsection 129(a)(9); and

- facilities subject to the Value Pricing Pilot Program (VPPP) comply 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.

The scope of the review was the Department's toll facilities subject to the financial audit requirements of Section 129 and VPPP for the period July 1, 2025, to June 30, 2026. The Section 129 requirement to verify adequate maintenance of the toll facilities is conducted by the Department's Office of Maintenance for Fiscal Year 2025-26 and is outside the scope of this review.

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What We Concluded

We determined the Department's use of toll revenues for the 10 toll facilities tested complied in all material respects with limitations set forth in Title 23 U.S.C., Section129(a)(3)(A).

We determined the Department's 10 toll facilities tested complied in all material respects with subsection 129(a)(9)(A) requirements by providing OTRBs with access to toll facilities under the same rates, terms, and conditions as public transportation vehicles.

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 reviewed were compliant with the applicable Section 129 and VPPP 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 conducted an independent review of Department owned toll facility records to verify if:

- Department owned toll facilities subject to Section 129 comply with financial requirements concerning the limitation on use of revenues as outlined in Title 23 United States Code (U.S.C.), Highways, Chapter 1, Federal-Aid Highways, Section 129, Toll Roads, bridges, tunnels, and ferries, subsection (a)(3);

- over-the-road buses, which serve the public, have access to Florida Turnpike Enterprise's (FTE) toll facilities under the same rates, terms, and conditions as public transportation vehicles as required in Title 23 United States Code (U.S.C.), subsection 129(a)(9); and

- Department owned toll facilities subject to the Value Pricing Pilot Program (VPPP) comply 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.

The scope of the review was the Department's toll facilities subject to the financial audit requirements of Section 129 and the VPPP for the period July 1, 2025, to June 30, 2026. The Section 129 requirement to verify adequate maintenance of the toll facilities was conducted by the Department's Office of Maintenance for Fiscal Year 2025-26 and is outside the scope of this review.

The compliance requirements for Department owned toll facilities are outlined in Section 129 (a)(3)(A), Limitations on Use of Revenues, and state:

> A public authority with jurisdiction over a toll facility shall ensure that all toll revenues received from operation of the toll facility are used only for:
>
> (i) debt service with respect to the projects on or for which the tolls are authorized, including funding of reasonable reserves and debt service on refinancing;
>
> (ii) a reasonable return on investment of any private person financing the project, as determined by the State or interstate compact of States concerned;
>
> (iii) any costs necessary for the improvement and proper operation and maintenance of the toll facility, including reconstruction, resurfacing, restoration, and rehabilitation;

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> (iv) if the toll facility is subject to a public-private partnership agreement, payments that the party holding the right to toll revenues owes to the other party under the public-private partnership agreement; and
>
> (v) if the public authority certifies annually that the tolled facility is being adequately maintained, any other purpose for which Federal fund may be obligated by a State under this title.

Additionally, Section 129(a)(3)(B)(i), Annual Audit, states:

> A public authority with jurisdiction over a toll facility shall conduct, or have an independent auditor conduct an annual audit of toll facility records to verify adequate maintenance and compliance with subparagraph (A) and report the results of the audits to the Secretary.

The compliance requirements for Department toll facilities are outlined in Section 129(a)(9)(A), Equal Access for OTRB, and state:

> In general. An over-the-road bus (OTRB) that serves the public shall be provided access to a toll facility under the same rates, terms, and conditions as public transportation vehicles.

Rule 14-100.003, Express Lane Tolling, Florida Administrative Code (F.A.C.), defines:

> (i) “Over-the-Road bus” means a bus characterized by an elevated passenger deck located over a baggage compartment and operated by, a for hire company, registered on the US Federal Motor Carrier Safety Administration (FMCSA) registration system.

Both OTRBs and public transportation vehicles are subject to toll charges collected for the system’s operations and maintenance.

To collect tolls, Florida’s Turnpike uses electronic equipment through prepaid accounts. Cameras are located throughout toll plazas to photograph the license plates of vehicles lacking prepaid accounts. This process is known as “TOLL-BY-PLATE”. Florida’s Turnpike also collects cash as a method of payment. In all cases, sensors at tolling points record the number of axles on all vehicles to establish the toll charge.

The following Department owned toll facilities and associated records are subject to the audit requirements of Section 129:

1. I-275 Sunshine Skyway Bridge
2. I-295 Express
3. I-595 Express
4. I-75 Alligator Alley
5. I-75 Express Lanes
6. Pinellas Bayway System

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7. State Road 429 Wekiva Parkway
8. I-4 Ultimate
9. I-95 Express Lanes Phase 3
10. Gateway Expressway Phase 1

The compliance requirements for Department owned toll facilities subject to the 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.

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 for the 10 toll facilities tested complied in all material respects with limitations set forth in Title 23 U.S.C., Section129(a)(3)(A).

We found the governance of toll facility expenditures was outlined in a September 23, 2020, memorandum from the Department's Office of 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 is 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 2025-26.

The auditor retrieved the toll facility expenditure reports from the Comptroller Automation Platform (CAP) for the period July 1, 2025, to June 30, 2026, consisting of 10 toll facilities with 2,032 applicable transactions totaling $115,675,915. See Figure1.

Figure 1: Summary of Applicable Toll Facility Expenditures

Section 129 Toll Facilities Summary of Applicable Tolling Transactions July 1, 2025 to June 30, 2026		
Toll Facility	**Transaction Count**	**Dollars**
1. I-75 Alligator Alley	516	$44,025,653
2. Pinellas Bayway System	190	$1,128,103
3. I-4 Ultimate	121	$25,751,810
4. I-595 Express	7	$19,697
5. I-295 Express East	86	$1,398,110
6. I-75 Express Lanes	241	$7,539,050
7. I-95 - Express Lanes Phase 3	57	$3,346,154
8. I-275 Sunshine Skyway Bridge	535	$14,457,989
9. State Road 429 Wekiva Parkway	192	$14,182,788
10. Gateway Express Phase 1	87	$3,826,560
Totals	2,032	$115,675,915

Source: OIG Prepared Schedule

As part of our testing, we determined 50 transactions were greater than $250,000.

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These transactions represented $65,602,907 of the total $115,675,915 or 56 percent. Of the 50 transactions, we judgmentally sampled the supporting documentation for 7 transactions totaling $8,095,149, or 12 percent of the $65,602,907 total.

We also tested the supporting documentation for 78 statistically sampled transactions between $500 and $250,000, totaling $2,977,349, selected from the population of 991, totaling $50,033,458. 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 Section 129 requirements.

Finding 2 – Over-The-Road-Bus

We determined the Department's 10 toll facilities tested complied in all material respects with subsection 129(a)(9)(A) requirements by providing OTRBs with access to toll facilities under the same rates, terms, and conditions as public transportation vehicles.

Our review was comprised of two parts:

Rate Schedule Comparison

We obtained the Florida Turnpike Enterprise's published toll rates effective as of July 1, 2025. We also received a report listing the system's billing rates associated with the Department's toll facilities subject to subsection 129(a)(9)(A), regarding equal access for OTRBs. We compared the Department's 2 and 3-axle vehicle published toll rates to the billing system's corresponding rates to ensure accuracy. No exceptions were noted

Review of Tolling Transactions

During fiscal year (FY) 2024-25, Florida's Turnpike system, which includes Department toll facilities, recorded over 1.37 billion tolling transactions representing over $1.30 billion.[1] Due to the high volume of transactions, to perform this testing we judgmentally selected a 3-hour window on May 29, 2026, between 12:00a.m. and 3:00a.m., representing 102,745 tolling transactions and $175,453. We further reduced the sample to the 9,298 tolling transactions that are associated with 2 and 3-axle vehicles on the Department's 10 toll facilities subject to applicable provisions within Section 129, representing $7,775. See Figure 2.

[1] Florida's Turnpike System/2025 Annual Comprehensive Financial Report (ACFR), page 65. Not all facilities are subject to Section 129 requirements. 2026 ACFR not available as of the date of this report.

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Figure 2: Summary of Applicable Tolling Transactions

Section 129 Toll Facilities Summary of Applicable Tolling Transactions May 29, 2026, 12AM-3AM		
Toll Facility	**Transaction Count**	**Dollars**
1. I-275 Sunshine Skyway Bridge	1,110	$1,627
2. I-295 Express	271	$0
3. I-595 Express	63	$32
4. I-75 Alligator Alley	553	$2,013
5. I-75 Express Lanes	624	$243
6. Pinellas Bayway System	238	$207
7. State Road 429 Wekiva Parkway	897	$880
8. I-4 Ultimate	1,919	$721
9. I-95 Express Lanes Phase 3	3,003	$1,408
10. Gateway Expressway Phase 1	620	$644
Totals	9,298	$7,775

Source: OIG Prepared Schedule

As part of our testing, we reviewed all 9,298 transactions to verify the billing system consistently applied the appropriate toll rate on 2 and 3-axle vehicles according to the number of axles and payment method. We noted no exceptions.

This report does not contain recommendations as the review found the transactions reviewed were compliant with the applicable Section 129 requirements.

Finding 3 – Value Pricing Pilot Program

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

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 FY 2025-2026.

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The auditor retrieved the toll facility expenditure reports from the Comptroller Automation Platform (CAP) for the period of July 1, 2025, to June 30, 2026, consisting of two toll facilities with 600 transactions totaling $80,555,980. See Figure 3

Figure 3: Summary of Applicable Toll Facility Expenditures

Section 129 Toll Facilities Summary of Applicable Tolling Transactions July 1, 2025 to June 30, 2026		
Facility	**Transaction Count**	**Dollars**
I-95 Express Lanes (Phase 1 and 2)	448	$74,085,683
State Road 826 Palmetto Expressway	152	$6,470,297
Total	600	$80,555,980

Source OIG Prepared Schedule

As part of our testing, we determined 47 transactions were greater than $250,000. These transactions represented $61,071,053 of the total $80,555,980, or 76 percent. Of the 47 transactions, we statistically sampled the supporting documentation for 31 transactions totaling $31,144,405 of the total $61,071,053 or 51 percent.

We also tested the supporting documentation for 72 statistically sampled transactions between $500 and $250,000, totaling $1,509,849, selected from the population of 472, totaling $19,599,237. Of the 72 transactions, 55 were associated with the I-95 Express Lanes, totaling $1,978,756. 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's owned toll facilities:

- subject to Section 129 comply with financial requirements concerning the limitation on use of revenues as outlined in Title 23 United States Code (U.S.C), Highways, Chapter 1,Federal-Aid Highways, Section 129, Toll Roads, bridges, tunnels, and ferries, subsection (a)(3)(A);

- provided equal access for over-the-road buses, which serve the public, have access to Florida Turnpike Enterprise's (FTE) toll facilities under the same rates, terms, and conditions as public transportation vehicles as required in Title 23 United States Code (U.S.C.), subsection 129(a)(9); and

- subject to the Value Pricing Pilot Program (VPPP) comply 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.

The **scope** of this review includes the expenditures assigned to the Department's toll facilities subject to Section 129 and VPPP for the period of July 1, 2025, to June 30, 2026.

The **methodology** included:

- verifying Department owned or operated toll facilities subject to Section
- 129(a)(9)(A);
- verifying the Department owned toll facilities subject to Section 129(a)(3)(A) and 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 Section 129 and VPPP compliance.

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APPENDIX B – Management Response

On October 30, 2026, the Office of the Comptroller, Project Finance Office sent an email stating they do not have any comments regarding the report.

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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' *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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