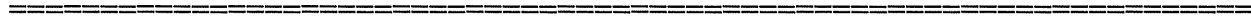


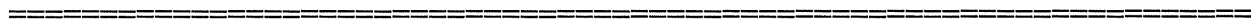
PALM BEACH COUNTY
BOARD of COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY



Meeting Date: **7/13/2021** [X] Consent [] Regular
[] Public Hearing

Department:
Submitted By: County Internal Auditor's Office



I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to receive and file:

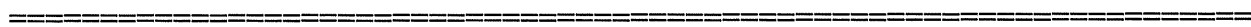
- A. Final audit reports recently issued by the County Internal Auditor's Office:
 1. 2021-02 Public Safety Department - Consumer Affairs Division - *Florida Department of Highway Safety and Motor Vehicles Memorandum of Understanding Contract #HSMV-0612-18 Audit*
 2. 2021-03 Engineering and Public Works Department - Traffic Division - *Management of Long-Term Agreements with the Florida Department of Transportation Audit*

Summary: County Code Section 2-463(e)(3) requires the County Internal Auditor to submit copies of final audit reports to the Board of County Commissioners and the Internal Audit Committee. We are submitting this report to the Board of County Commissioners as required by the County Code. Countywide (DB)

Background and Justification: County Code Section 2-463(e)(3) requires the County Internal Auditor to submit copies of final audit reports to the Board of County Commissioners, the Internal Audit Committee, audited agency management, and County Administration. The final audit reports for the referenced audits were issued during May 2021. The reports were presented to the Internal Audit Committee at its June 16, 2021 meeting.

Attachments:

- 1. 2021-02 Public Safety Department - Consumer Affairs Division - *Florida Department of Highway Safety and Motor Vehicles Memorandum of Understanding Contract #HSMV-0612-18 Audit*
- 2. 2021-03 Engineering and Public Works Department - Traffic Division - *Management of Long-Term Agreements with the Florida Department of Transportation Audit*



Recommended by: *JH Bergeron* *26 May 2021*
County Internal Auditor Date

Recommended by: *CB Baker* *6/11/21*
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2021	2022	2023	2024	2025
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	None				
# ADDITIONAL FTE					
POSITIONS (Cumulative)					

Is Item Included In Current Budget? Yes _____ No _____
 Does this item include the use of federal funds? Yes _____ No _____
 Budget Account No.: Fund ____ Agency ____ Org. _____ Object ____
 Program Number _____ Revenue Source _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

No fiscal impact

A. Department Fiscal Review:

III. REVIEW COMMENTS:

A. OFMB Fiscal and/or Contract Administration Comments:

Steve Mont 5/27/21
 JAT 5/26/21 Budget/OFMB 5/26/21

Ar. J. Jacobson 6/10/21
 Contract Administration
 6-10-21 TW

B. Legal Sufficiency:

MBHerman for D. Behar 6/11/21
 Assistant County Attorney

C. Other Department Review:

 Department Director



Office of the County Internal Auditor
Final Audit Report
Report #2021-02
Issued May 18, 2021

**Public Safety Department
Consumer Affairs Division**

**FLORIDA DEPARTMENT OF HIGHWAY SAFETY AND
MOTOR VEHICLES
MEMORANDUM OF UNDERSTANDING
CONTRACT # HSMV-0612-18 AUDIT**

Stewardship – Accountability – Transparency

WHY WE CONDUCTED THIS AUDIT

We conducted this audit to address the following:

Did the Public Safety Department - Consumer Affairs Division Director ensure that the controls governing the use and dissemination of Driver and Vehicle Information Database (DAVID) data obtained from the Florida Department of Highway Safety and

Motor Vehicles (FLHSMV) pursuant to Memorandum of Understanding (MOU) Contract # HSMV-0612-18 were adequate to protect personal data from unauthorized access, distribution, use, modification, or disclosure as required by the MOU?

WHAT WE FOUND

The Public Safety - Consumer Affairs Division Director did ensure that the controls governing the use and dissemination of Driver and Vehicle Information Database (DAVID) data obtained from the Florida Department of Highway Safety and Motor Vehicles

(FLHSMV) pursuant to Memorandum of Understanding (MOU) Contract # HSMV-0612-18 were adequate to protect personal data from unauthorized access, distribution, use, modification, or disclosure as required by the MOU.

WHAT WE RECOMMEND

The audit report makes no recommendations.

AUDIT CONCLUSIONS

The Consumer Affairs Division Director ensured that the controls governing the use and dissemination of Driver and Vehicle Information Database (DAVID) data obtained from the Florida Department of Highway Safety and Motor Vehicles (FLHSMV) pursuant to

Memorandum of Understanding (MOU) Contract # HSMV-0612-18 were adequate to protect personal data from unauthorized access, distribution, use, modification, or disclosure as required by the MOU.

BACKGROUND

The Public Safety Department's (Department) mission is to enhance the safety and well being of the community. The Consumer Affairs Division (DCA) protects consumers utilizing County and state consumer protection ordinances and statutes by: investigating and enforcing unfair and deceptive trade practices; equipping consumers with information to select businesses providing fair value for services and merchandise; conducting informal dispute mediation with businesses and landlords; enforcing the "price gouging" ordinance during emergencies; and administering the moving, vehicle for hire, water taxi, towing, adult entertainer, and home caregiver ordinances. Department and

Division mission statements are from the FY 2020 annual budget document.

There are 16 employees in DCA. There is a licensing section with seven employees, an investigation/compliance section with seven employees, the division director and a secretary.

The DCA entered into this Memorandum of Understanding (MOU), Contract number HSMV-0612-18 dated June 5, 2018, with the Florida Department of Highway Safety & Motor Vehicles Agency (FDHSMV) in order to access information relating to driver license and motor vehicle data contained in the state's Driver and Vehicle Information Database (DAVID). The Department uses DAVID to carry

out its function by using this information to verify vehicle registration or validate driver's licenses in applications for "Vehicle for Hire", "Towing", and "Moving" (company) permits, and during field audits to ensure proper permitting for vehicle for hire, towing, and moving (companies) in Palm Beach County, FL.

Approved Consumer Affairs individuals access DAVID for information and questions about specific vehicles or individuals related to applications submitted by customers. Investigators use DAVID to identify vehicle owners found to be in violation of pertinent county ordinances using a Vehicle Identification Number (VIN) or tag number to verify ownership/track down vehicle owner addresses during field audits.

DAVID information is obtained by logging into the database through the

state's website (<https://david.flhsmv.gov/>). Only individuals who have been approved and have had a DAVID account created for them by the MOU's Point of Contact (POC), the Consumer Affairs Division Director, are able to run searches in DAVID using their assigned user number and password

The MOU requires the Department to have appropriate internal controls in place at all times to ensure that data provided/received pursuant to this MOU is protected from unauthorized access, distribution, use, modification, and disclosure. In addition, on the third and sixth anniversary of the MOU, the Department must submit an Internal Control and Data Security Audit from the Internal Auditor or Inspector General. This audit is being performed for the third anniversary by request of the Division.

AUDIT SCOPE AND METHODOLOGY

The scope of the audit covered procedures for the period from June 5, 2018 through February 28, 2021. Audit fieldwork was conducted from March 2021 to April 2021.

In order to answer the audit objective, we met with appropriate staff to identify the activities, responsibilities, access management, and controls

relating to safeguarding the driver information. We examined requirements specified in the MOU agreement. We examined and evaluated other quality control monitoring processes, as well as referring to Standard Operating Guide procedures for the division.

MANAGEMENT AND AUDIT RESPONSIBILITIES

Management is responsible for establishing and maintaining effective internal controls to help ensure that appropriate goals and objectives are met; resources are used effectively, efficiently, and economically, and are safeguarded; laws and regulations are followed; and management and financial information is reliable and properly reported and retained.

Internal Audit is responsible for using professional judgment in establishing the scope and methodology of our work, determining the tests and procedures to

perform, conducting the work, and reporting the results.

We conducted this performance audit in accordance with generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.



Joseph F. Bergeron, CPA, CIA, CGAP
County Internal Auditor
May 18, 2021
W/P # 2021-07



Office of the County Internal Auditor
Final Audit Report
Report #2021-03
Issued May 21, 2021

**Engineering & Public Works Department
Traffic Division**

**Management of Long-Term Agreements with the
Florida Department of Transportation**

Stewardship – Accountability – Transparency

WHY WE CONDUCTED THIS AUDIT

We conducted this audit to address the following:

Did the Traffic Division Director implement internal controls to ensure optimal cost reimbursement and adequate management and oversight of the County's three long-term agreements with the State of Florida

Department of Transportation (FDOT) in accordance with Division and Countywide PPMs, GAO Internal Control Standards, and key terms of the FDOT agreements?

WHAT WE FOUND

The Traffic Division Director generally implemented appropriate internal controls over the contracts with the Florida Department of Transportation. However, we identified areas where improvements could be made in the preparation and review of billing packages (Finding #1), and in compliance with County IT security policies (Finding #2).

During the course of our audit engagement, we identified three issues

of a minor nature that we believe should be brought to management's attention. These minor issues did not rise to the level of audit findings. We communicated these issues to management and made suggestions for improvement. We do not conduct follow-up on management actions related to our suggestions for improvement.

WHAT WE RECOMMEND

The audit report made four recommendations to improve controls in the areas noted above. These are more fully discussed in the Detailed

Findings and Recommendations section below.

AUDIT CONCLUSION

Except for the findings and recommendations below, the Division Director implemented internal controls to ensure optimal cost reimbursement and adequate management and oversight of the County's three long-

term agreements with FDOT in accordance with Division and Countywide PPMs, GAO Internal Control Standards and key terms of FDOT agreements.

DETAILED FINDINGS AND RECOMMENDATIONS

Finding 1. Controls Over Preparation and Review of Billing Packages for FDOT Knockdown Work Need Improvement.

The Traffic Division is under contract with FDOT to perform traffic signal repair work at intersections located on the State Highway System within Palm Beach County. When an FDOT

intersection signal or device is damaged by a third party, the Division repairs or replaces the signal and bills the FDOT for the costs incurred. Repair efforts are recorded on Daily Cost Records and then input into the Division's Intersection Maintenance System (IMS). The IMS supports preparation of billing packages for FDOT reimbursement. The FDOT contract specifies the various

documents and information required for reimbursement (collectively the backup). Exhibit C to the contract specifies the necessary backup for each billing package to include a police report (if applicable), pictures of the damage, invoices or receipts for equipment purchased to replace damaged components, and detailed documentation supporting labor costs including dates of performance and completion of work.

For the 2019/2020 service period, there were 76 individual incidents reported by the Division to FDOT for reimbursement totaling \$287,600, with the costs for each incident ranging from \$514 to \$35,504. We reviewed the billing packages for 10 of those 76 incidents, which included IMS reports and Daily Cost Records. We compared the Daily Cost Records to the IMS reports and to other FDOT cost documents to determine if the billing packages included all costs incurred for the repair work. We also reviewed Daily Cost Records from a sample of 24 days to determine if all FDOT repair work was identified and billed to FDOT.

Four of the 10 records we reviewed had issues with vehicles used for the repairs:

- Two of those four records had different vehicles identified on the Daily Cost Record than were shown on the IMS billing record.
- Two of those four records did not show vehicles on the IMS billing record that were shown on the Daily Cost Record.

In addition:

- One IMS billing record showed materials not included on the Daily Cost Record.
- Three IMS billing records did not include material shown on the Daily Cost Record.
- One billing record for FDOT was for a non-FDOT job.
- One Daily Cost Record did not show any associated vehicle costs.

In summary, seven of the 10 billing packages we reviewed had issues. Five packages had one issue, one package had two issues, and one package had three issues. In addition, our review of Daily Cost Records for 24 days identified 19 Daily Cost Records with FDOT repair work. One of those Daily Cost Records did not label the work as FDOT and was not billed for reimbursement.

Field personnel in the various shops of Traffic Operations prepare Daily Cost Records where they are to notate what work performed is for FDOT. The records identify the individuals working on a project, their time, the project location, work order number, job codes, and material and equipment used. Shop supervisors review and approve the records and forward to Traffic Operations Front Office staff for entry into the IMS.

Traffic Operations Front Office staff compile the billing packages for FDOT knockdown work that include IMS reports, the Daily Cost Records and any other supporting documentation. This data is later used to complete the annual

report to FDOT for reimbursement. IMS computes billable amounts based on quantities of time, material, and equipment manually entered based on the Daily Cost Records. Front Office staff add a checklist cover sheet to each billing package, and circulate the full package to shop supervisors and the Traffic Operations superintendents for review and approval. The checklist includes 12 different items. Following reviews and approvals, the billing package is placed in a designated drive for Engineering Administration's annual billing to FDOT.

As part of our review of 10 billing packages, we also reviewed the package checklists for completeness and accuracy. Three of the checklists were fully completed. The other seven checklists had the following issues:

- Six had blanks in the accident report line,
- One had "hit and run" in the accident report line,
- Two had blanks in the "after photos" line, and
- One had a blank in the "before photos" line.

In summary, seven of the 10 billing package checklists had issues. Four packages had one issue, and three packages had two issues. Each billing package had been reviewed and approved with the blanks on the checklists.

Recommendations:

1. **The Division Director should develop and communicate written**

procedures to ensure billable packages for knockdown repairs to covered FDOT equipment are accurate and complete. More specifically, procedures should include, but not be limited to:

- **A review of daily cost records for accurate completion by field technicians prior to entry of cost information into IMS.**
 - **A review of detailed cost information entered into IMS, as compared to the daily cost records, with evidence of review (i.e. initials & date).**
 - **A review of relevant documents (i.e. checklist complete) in the billable package to ensure all required FDOT knockdown paperwork is included.**
 - **Attestation statement of the billable package for reviewers includes, 'ensure all backup documents are present and complete.'**
2. **The Division Director should develop procedures, in writing, and communicate to pertinent staff, to ensure completed FDOT knockdown work is clearly documented in the field staffs' daily cost records as 'FDOT knockdown type work' to ensure associated costs are included for reimbursement.**

Management Comments and Our Evaluation

In replying to a draft of this audit report, the Department and Division Director (collectively management) agreed with the finding and the

recommendations. Management indicated that corrective action was underway and provided examples of actions that were being taken. The examples included moving data entry into the field with supervisory review and modifying the IMS software to require certain fields to make querying easier.

We believe management's actions are responsive to the finding and recommendations. We also believe that moving data entry closer to the actual point of activity and giving field personnel entry ability will enhance the overall effectiveness and efficiency of this process that is manual in places.

Finding 2. Use of Non-County Cloud Computing Application Potentially in Violation of County IT Security Policy

Google Sheets is an application available as part of the free web-based Google Docs, and is not an application supported by the County's Information System Services (ISS) Department. The application allows users to create and edit files online while collaborating with other users in real-time and storing those documents in the cloud. The Division's Traffic Signal Systems Section is currently utilizing the application to capture, track, and monitor critical device failures, as well as the associated turn-around time to repair the devices. Currently, only inter-connected (on-line) device failures are logged into the Google Sheets documents.

Documents created by the Traffic Division on the Google Sheets

application are stored on a Google cloud, as opposed to the County's network. Moreover, the Traffic Signal Systems Section's Systems Administrator indicated they have moved toward saving data created on Google Sheets to an Access database, as an attempt to periodically back-up data without having to rely on Google.

In addition, the Systems Administrator, to assist with setting up worksheets in the application, as well as to provide access to individual staff members, has provided an individual outside the County, Administrative rights to the Division's Google Sheets application.

According to the ISS Chief Information Security Officer, the Google Sheets application is for personal use and not an enterprise solution. Since ISS is not familiar with the security processes used with Google Sheets and its environment, she indicated there are some security concerns:

- Type of data being stored and accessed in a non ISS-managed cloud environment
- Management of user access and rights
- Privacy concerns on how the data is used by a third-party
- Use of software in an enterprise setting

According to the ISS Senior Manager, Application Services Division, the ISS Department does not recommend use of Google Sheets; and believes the County has an alternate solution they can recommend to the Traffic Division that would meet the functionality needed.

He further indicated that he was not aware that the Division was using this application.

According to the Traffic Signal System Section's System Administrator, they were in need of a solution (beyond Excel), that would allow multiple users to edit at the same time, while restricting user access. He further indicated that a possible solution was not discussed with ISS, as it was believed ISS already had several projects with Traffic and did not want to add to the workload.

Use of the Google Sheets cloud computing application is not specifically prohibited by the County's IT Security policy. However, the policy requires the cloud service user to coordinate with ISS to ensure the cloud application meets the County's IT Security Policy requirements. In addition, use of the application creates a potential risk with compliance with the State's record retention laws due to documents stored on a cloud, as opposed to the County's network.

Palm Beach County IT Security Policy Manual, 2014, Part 1, entitled *General IT Security Policies* indicates Cloud computing services shall not be used when the County's security requirements cannot be met by the cloud provider. A user of cloud services must obtain vendor policies and explicit explanation of how and where data is stored, scanned, shared, or accessed in the cloud, including who will have access rights and what procedures will be for auditing and modifying those rights. The policy further indicates that

a department head must ensure there is an internal policy that addresses the acceptable use of the cloud services with regard to storing or sharing County information and data. Lastly, the Information Systems Services Department will evaluate the impact of departmental cloud computing initiatives on the overall security requirements of the County's enterprise IT system.

Recommendations:

3. **The Division Director should obtain approval from ISS on the use of the Google Sheets application within the Traffic Division.**
4. **The Division Director should take steps to comply with the requirements of the County's IT Security Policy requirements, if Google Sheets is approved for use by the ISS Department.**

Management Comments and Our Evaluation

In replying to a draft of this audit report, the Department and Division Director (collectively management) agreed with the finding and the recommendations. Management commented that Google Sheets was being used by many departments including ISS and that they were not aware that their use of Google Sheets violated the Cloud Computing Policy.

Management reached out to ISS to investigate the availability of alternative tools to replicate the functionality of Google Sheets. However, no comparable

alternatives were found. Management reported that they have reached out to ISS for approval of their use of Google Sheets. Management also noted that ISS was considering revisions to the

existing PPM to address the specific issues around the use of Google Sheets. We believe the actions taken and planned by management are responsive to the audit finding and recommendations.

BACKGROUND

The Traffic Division (Division) is one of eight divisions and sections within the Engineering and Public Works Department. According to the County's FY 2020 annual budget document, the mission of the Division is to provide for the safe and efficient movement of traffic on roads under the jurisdiction of Palm Beach County through professional traffic engineering. It applies best engineering practices in designing, installing, and operating traffic signals; provides active arterial traffic management, maintains traffic volume and crash data, street lighting, pavement markings and signing. In addition, it reviews design plans for compliance with current standards and specifications, and provides engineering input to major road construction projects, land development, site planning, and transportation planning.

The Division is comprised of five sections: 1.) Traffic Lighting and Signal Design, 2.) Traffic Operations, 3.) Growth Management, 4.) Traffic Signal Systems and 5.) Traffic Engineering

Studies. In addition, there is the Division's Administrative section.

The Division has three long-term agreements with the State of Florida Department of Transportation (FDOT), which are the: 1.) Traffic Management Center (TMC) Operation Joint Participation Agreement, 2.) Traffic Signal Maintenance and Compensation Agreement, and 3.) State Highway Lighting, Maintenance, and Compensation Agreement. These agreements include operating costs for the TMC, and the County's maintenance and repairs of traffic signals and lights on the State's Highway system within Palm Beach County.

For Fiscal Years 2020 and 2021, the Traffic Division had 147 positions and an adopted annual operating budget of \$25.4M and \$25M, respectively. For FY 2021, the budget included revenue of \$3.9M for two of the three FDOT long-term agreements, with no revenue budgeted for the Traffic Management Center Joint Participation agreement

due to funding not authorized by the FDOT.

The Internal Auditor's Office last audited the Division in 2012, which was Audit Report #2012-06, dated April 17, 2012. The scope of the audit was on the Division's Traffic Operations Section, which focused on its internal controls over inventory and equipment at its warehouse. The audit resulted in four

findings and 16 recommendations, and subsequent follow-up reviews concluded management had taken action to correct all findings. According to the Department's Director of Administrative Services and the Division's Director and Assistant Director, there have not been any other audits conducted on the Traffic Division.

AUDIT SCOPE AND METHODOLOGY

The scope of the audit covered the management and oversight of the Division's three long-term agreements with the State of Florida Department of Transportation (FDOT). It included a review of the most recent annual report to FDOT and associated activity, as well as activity during the first four months of the current service period. The audit period reviewed included the most recently completed 12-month annual service period (July 1, 2019, through June 30, 2020), as well as an examination of the first four months of the current service period (July 1, 2020, through October 31, 2020). The audit fieldwork was complete during the period from November 10, 2020, through January 21, 2021.

Our review included an evaluation of the management and oversight of the three long-term FDOT agreements to ensure compliance with the agreements

and optimal cost reimbursement to the County. The long-term agreements evaluated were:

- 1) FDOT Traffic Management Center (TMC) Operation Joint Participation Agreement;
- 2) FDOT Traffic Signal Maintenance and Compensation (TSMC) Agreement; and
- 3) FDOT State Highway Lighting, Maintenance, and Compensation (SHLMC) Agreement.

In addition, we reviewed the three FDOT agreements with the Division's section managers to identify the key terms for each; and discussed with Division management and staff their processes to ensure compliance with the key terms identified for each agreement.

For two of the three agreements (excluding the TMC agreement), we obtained a copy of the most recent

annual report to the FDOT, as well as the support documents. In addition, we evaluated the accuracy and completeness of FDOT reported information based on our examination of the support documentation. Also, we compared information reported to FDOT to similar information captured and reported in prior years. For the TSMC agreement, we identified the primary data sources for capturing the information included in the annual report to FDOT, and evaluated controls to limit access and to help ensure populated data records are accurate.

More specifically, for the:

- TMC Agreement, we evaluated if all reimbursable costs (i.e. utilities, replacement parts) were captured and reported to FDOT for optimal cost reimbursement.
- TSMC Agreement, we evaluated if critical devices failure turn-around timeframes are monitored for compliance, which included an examination of a sample of logged items. In addition, we compared

active signal listings to preventive maintenance (PM) records, and reviewed a sample of signals to compare to completed checklists to ascertain if required preventative maintenance was performed. Lastly, we reviewed a random sample of knockdown incidents to evaluate if all associated costs were accurately captured and reported to FDOT for reimbursement.

- SHLMC Agreement, we evaluated if the most recent FDOT work order reflected the Division's inventory records with the agreed upon rate. In addition, we identified streetlights added to the inventory since the prior service period to ascertain if an inspection was performed prior to acceptance of maintenance.

We also referred to the Committee of Sponsoring Organizations of the Treadway Commission (COSO) for information on internal control documentation.

MANAGEMENT AND AUDIT RESPONSIBILITIES

Management is responsible for establishing and maintaining effective internal controls to help ensure that appropriate goals and objectives are met; resources are used effectively, efficiently, and economically, and are

safeguarded; laws and regulations are followed; and management and financial information is reliable and properly reported and retained.

Internal Audit is responsible for using professional judgment in establishing the scope and methodology of our work, determining the tests and procedures to perform, conducting the work, and reporting the results.

We conducted this performance audit in accordance with generally accepted government auditing standards. These

standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.



Joseph F. Bergeron, CPA, CIA, CGAP
County Internal Auditor
March 22, 2021
W/P # 2020-06

ADMINISTRATIVE RESPONSE



INTEROFFICE CORRESPONDENCE

**Department of Engineering
and Public Works**

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**Palm Beach County
Board of County
Commissioners**

Dave Kerner, Mayor

Robert S. Weinroth, Vice Mayor

Maria G. Marino

Gregg K. Weiss

Maria Sachs

Melissa McKinlay

Mack Bernard

County Administrator

Verdenia C. Baker

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and recycled paper

Date: May 07, 2021

To: Joseph Bergeron
Palm Beach County Internal Auditor

Thru: David L. Ricks, P.E.
County Engineer

From: Motasem Al-Turk, Ph.D., P.E.
Director Traffic Division

Re: Traffic Division Audit Report

The Traffic Division (Traffic) would like to thank you and your team for the review and recommendations to enhance some of its current processes. The Internal Audit Report dated on April 23, 2021 focused on how the Traffic Director can ensure optimal cost reimbursement and oversight over the County's three long-term agreements with the State of Florida Department of Transportation (FDOT). Pursuant to Ordinance 2010-007 we are responding with the Traffic's concurrence and plans for implementing solutions to the Internal Audit Reports findings and identified concerns.

Finding 1: Controls over Preparation and Review of Billing Packages for FDOT Knockdown Work Need Improvement.

Recommendations:

1. The Division Director should develop and communicate written procedures to ensure billable packages for knockdown repairs to covered FDOT equipment are accurate and complete. More specifically, procedures should include, but not be limited to:

- A review of daily cost records for accurate completion by field technicians prior to entry of cost information into the Intersection Maintenance System (IMS).



- A review of detailed cost information entered into IMS, as compared to the daily cost records, with evidence of review (i.e. initials & date).
- A review of relevant documents (i.e. checklist complete) in the billable package to ensure all required FDOT knockdown paperwork is included.
- Attestation statement of the billable package for reviewers included ensuring all backup documents are present and complete.

2. The Division Director should develop procedures, in writing, and communicate to pertinent staff, to ensure completed FDOT knockdown work is properly documented in the field staffs' daily cost records as 'FDOT knockdown type work' to ensure associated costs are included for reimbursement.

Traffic Response:

Traffic concurs with the findings documented in the report. Traffic recognizes the increased risk in data entry errors without an automated work order system and, prior to the internal audit, had already begun to migrate to a newer and more efficient system. The new system will allow the field technicians to input their daily cost record information directly into IMS; instead of the process they now follow, wherein they are currently writing this information on paper, and administrative staff later enters on their behalf. However, until the system is ready, the Internal Audit recommendations will be implemented. The Division has updated its procedures for billable packages and is formalizing these changes through updates to PPM ETO-112 for the FDOT Traffic Signal Maintenance and Compensation Agreement (TSMCA). The following was added:

- Daily cost records or timesheets are to be reviewed and approved by the employee's Supervisor. The approved timesheet is entered in IMS by Traffic Operations' Communicator and Field Office Coordinator. As they enter this information, the timesheet is highlighted, signifying that the information was entered in IMS.
- The Traffic Operations' Technical Aide reviews the entries and verifies the information was entered correctly by checking the IMS report against the timesheet and backup paperwork. The Supervisor then reviews the IMS cost record, employee timesheet, and incident report for errors and accuracy. The Technical Aide will



complete a checklist for each invoice ensuring that the required documents are provided, accurate, and complete.

- The cover page for the invoice package includes signature lines for each supervisor, Assistant Superintendent, and Superintendent to initial, attesting that they have reviewed and approve the invoice package.

Although these actions have already been implemented, the process will be documented and fine-tuned over the next 6-12 months.

Finding 2: Use of Non-County Cloud Computing Application Potentially in Violation of County IT Security Policy

Recommendations:

3. The Division Director should obtain approval from ISS on the use of the Google Sheets application within the Traffic Division.
4. The Division Director should take steps to comply with the requirements of the County's IT Security Policy if Google Sheets is approved for use by the ISS Department.

Traffic Response:

Traffic was not aware that use of Google Spreadsheets violated ISS's Cloud Computing Policy. Once notified, Traffic began investigating, with ISS' support, alternative tools to replicate the functionality of Google Spreadsheets. Unfortunately, no alternatives that worked as well were identified. Google Spreadsheets can be accessed and edited simultaneously by multiple users, whereas the alternatives (such as SharePoint and Excel) do not allow for this and/or the algorithms in the Vehicle Detection Google Spreadsheet could not be performed without crashing the program.

Traffic concurs with the findings of the internal audit report and is working on implementing the report's recommendations. Traffic reached out to ISS to approve its Google Spreadsheets use and found the current procedure for cloud computing was written primarily for Departments to procure cloud computing services. The Division was contacted by ISS on April 30th, clarifying they are researching Google Spreadsheets and any updates to the PPM needed to reflect approval for this free resource. ISS is drafting a document for Traffic to obtain formal permission from ISS to use Google Spreadsheets.



May 07, 2021
Joseph Bergeron
Re: Traffic Division Audit Report
Page 4 of 4

Traffic will review and proceed under the direction of ISS to have its use of Google Spreadsheets formally approved, including any policies regarding its use. Until then, the Division will continue to use the Google Spreadsheet service while backing it up to the County's network on a weekly basis. We anticipate Traffic to receive ISS' approval and adopt the necessary policies in the coming 6-12 months.

We gained valuable insight into a few key areas of our processes thanks to the diligence and comprehensive assessment by your team. If you have any additional questions or need to follow up on the recommendations' implementation, please contact Motasem Al-Turk, Ph.D., P.E.

ec: Verdenia Baker, County Administrator
Patrick Rutter, Assistant County Administrator
Melissa Ackert, P.E., Assistant Director, Traffic Division

File: General – Audit & FDOT-Agreements: TSMCA

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