Hillsborough County Florida

Hillsborough Transit Authority

HART

Performance Audit
FINAL REPORT

September 6, 2022

McConnell Jones
Diverse Thinking | Unique Perspectives

Overview of Performance Audit Findings

Hillsborough County
September 6, 2022

HILLSBOROUGH COUNTY REPORT DIGEST

Overall, Across 25 Areas, the County Met Expectations in 21 Areas and Partially Met Expectations in 4 Areas.

Issue Area (Number of Subtasks Examined)	Overall Conclusion	Did the County Meet Subtask Expectations?		
		Yes	Partially	No
Economy, efficiency, or effectiveness of the program (7)	Met	6	1	0
Structure or design of the program (2)	Met	2	0	0
Alternative methods of providing program services or products (4)	Met	4	0	0
Goals, objectives, and performance measures (3)	Partially Met	2	1	0
Accuracy or adequacy of public documents, reports, and requests prepared by the County (5)	Met	5	0	0
Compliance with appropriate policies, rules, and laws (4)	Partially Met	2	2	0
All Areas (25)		**21**	**4**	**0**

Results in Brief ----------------------------

In accordance with s. 212.055(11), F.S., and Government Auditing Standards, McConnell & Jones LLP (the MJ Team) conducted a performance audit of the Hillsborough County programs within the administrative unit(s) that will receive funds through the referendum approved by ordinance adopted by the Hillsborough County Board of Commissioners on April 20, 2022. The MJ Team conducted a performance audit of the Hillsborough Transit Authority (HART). Although HART serves residents of the County and surrounding areas, it is not an organizational unit of the County. It is an independent special district created under Chapter 163, Part V, *Florida Statutes* in October 1979 to plan, finance, acquire, construct, operate and maintain mass transit facilities and supply transportation assistance in Hillsborough County. As required by the County ordinance authorizing the surtax, the County Clerk of the Circuit Court must transfer 45 percent of the surtax proceeds to HART. There is no direct interdependence between the County and HART with respect to finances or other resources. Each entity has separate accountability structures/oversight for the surtax funds, internal control structure, and legal compliance. The performance audits included an examination of the issues identified below.

- The economy, efficiency, or effectiveness of the program.
- The structure or design of the program to accomplish its goals and objectives.
- Alternative methods of providing program services or products.
- Goals, objectives, and performance measures used by the program to monitor and report program accomplishments.
- The accuracy or adequacy of public documents, reports, and requests prepared by the County or which relate to the program.
- Compliance of the program with appropriate policies, rules, and laws.

Findings for each of the six issue areas were based on the extent to which the programs met expectations established by audit subtasks. Overall, the audit found that Hillsborough County met expectations in 4 areas and partially met expectations in 2 areas. Of the 25 total subtasks, the audit determined that the County met 21 and partially met 4.

A summary of audit findings by issue area is presented below. A more detailed overview of the findings can be found in the Executive Summary.

Findings by Issue Area ----------------

Economy, Efficiency, or Effectiveness of the Program

The MJ Team reviewed Public Works, the County department associated with the surtax through its Engineering and Operations Department (EOD) and Capital Programs Department (CPD) and determined that program managers use various reports and data on a regular basis and that the information is adequate to monitor program performance and costs. Each program reviewed is periodically evaluated using performance information and other reasonable criteria to assess performance and costs. We also reviewed findings and recommendations in relevant internal or external reports on program performance and costs noting that administrators took reasonable and timely actions to address deficiencies in program performance and costs identified in such reports. All program administrators evaluate performance and costs based on reasonable measures, including best practices. For the sample of projects reviewed, overall, they were of reasonable cost and completed well, on time, and within budget. However, PW should ensure that change orders are

approved by the BOCC prior to incurring additional costs and extending the project timeline for Punch List items and the Final Completion Letter is submitted in accordance with County policy. One of the four projects is reported as completed as the roadway is open for public use; however, the project is still pending the BOCC's approval in September 2022 of the final change order to increase the contract amount by $303,260 and completion of items remaining on the Punch List. Finally, the County has written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

The structure or design of the program to accomplish its goals and objectives

Public Works (PW) was reorganized in 2018 to streamline the organization and improve service delivery. The MJ Team found that the County maintains an organizational structure that has clearly defined units, minimizes overlapping functions, and has no excessive administrative layers. PW provided examples of how it effectively uses workload data to assign staff. The current vacancy rate is approximately 10%, which is an improvement over last year's rate which had been about 18% of total staff and approximately 28% for first year employees. The County recently approved a cost-of-living increase of 3% for employees, as of July 20, 2022. The Human Resources Department is conducting further compensation and labor market studies to provide recommendations for additional compensation adjustments, if needed. Some County employees are covered by a collective bargaining (union) agreement. Along with compensation adjustments the Human Resources Department is working with the American Federation of State

County and Municipal Employees (AFSCME) for additional retention strategies for this category of employees.

Alternative methods of providing services or Products

Hillsborough County (the County) demonstrated that program administrators, through PW's Decision Unit, formally evaluate existing in-house services and assess alternative contracting methods to ensure costs are reasonable. PW demonstrated that it is less costly in certain cases to utilize in-house inspection staff in lieu of contracted inspection staff. PW made changes to service delivery methods, when evaluations found that changes would reduce program cost without significantly affecting the quality of services.

Goals, objectives, and performance measures used by the program to monitor and report program accomplishments

Program goals were clearly stated, measurable, can be achieved within budget and align with the County's strategic plan. Although some performance measures such as pavement and bridge condition inspections are sufficient and clearly documented, other performance measures such as for bicycle and pedestrian infrastructure are referenced in documents without a clear statement of relevant performance measures. At least twelve (12%) of the general purpose surtax, if passed, shall be expended on bicycle or pedestrian infrastructure and related improvements. Internal controls, including policies and procedures, provide reasonable assurance that program goals and objectives will be met.

The County should ensure that performance measures for bicycle and pedestrian

infrastructure are developed, clearly documented and monitored.

The accuracy or adequacy of public documents, reports, and requests prepared by the County which relate to the program

The County prepares and makes available in the public domain financial and non-financial information that is useful, adequate, and accurate. The County effectively uses internal and external data analytics and reports to assess the adequacy of the information it provides to the public. The Communications & Digital Media Department has developed an effective assessment tool that measures factors such as social media engagement, citizen engagement, and productivity, which demonstrates quality service from County government. The County provided evidence that it has a process in place to ensure financial data available to the public is accurate as well as a process to ensure that incorrect, erroneous, and incomplete information is corrected in a timely manner.

Compliance of the program with appropriate policies, rules, and laws

The County employs fulltime legal staff responsible for providing transactional and governance legal services to the County. In this capacity, the attorneys review all contracts requiring board approval for compliance with legal requirements and board policy. The County obtains outside legal assistance when necessary. The County stays abreast of federal and state legislative changes through membership in professional associations and through contracts with three lobbying firms that represent the County's interests at the state and federal level. Policies and procedures are a key internal control, yet financial

policies lack updates for over 10 years. The County should review and update financial policies, especially those over 10 years old. The annual external auditor's reports reviewed demonstrated that the more significant audit findings were corrected and not repetitive indicating overall timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means. However, the County lacked implemented corrective action plans for the external auditor's reported repeat management letter comments and one current year audit finding. MJ recommends that the Office Clerk continue to monitor and implement action plans to correct repeat management letter comments and resolve the current year audit finding. Finally, program administrators took reasonable and timely actions to determine whether planned uses of the surtax were in compliance with applicable state laws, rules, and regulations particularly as such laws relate to Section 212.055(1), *Florida Statues*- Charter County and Regional Transportation System Surtax, and to the County's planned surtax uses outlined in Ordinance Number 22-9, adopted by the BOCC on April 20, 2022.

Overview of Performance Audit Findings

Hillsborough Transit Authority
September 6, 2022

HILLSBOROUGH TRANSIT AUTHORITY REPORT DIGEST

Overall, Across 25 Areas, HART Met Expectations in 20 Areas and Partially Met Expectations in 5 Areas

Issue Area (Number of Subtasks Examined)	Overall Conclusion	Did the Authority Meet Subtask Expectations?		
		Yes	Partially	No
Economy, efficiency, or effectiveness of the program (7)	Met	6	1	0
Structure or design of the program (2)	Met	1	1	0
Alternative methods of providing program services or products (4)	Met	4	0	0
Goals, objectives, and performance measures (3)	Partially Met	1	2	0
Accuracy or adequacy of public documents, reports, and requests prepared by the Authority (5)	Met	4	1	0
Compliance with appropriate policies, rules, and laws (4)	Met	4	0	0
All Areas (25)		**20**	**5**	**0**

Results in Brief --------------------------

In accordance with s. 212.055(11), F.S., and Government Auditing Standards, McConnell & Jones LLP (the MJ Team) conducted a performance audit of the Hillsborough Transit Authority (HART) programs within the administrative unit(s) that will receive funds through the referendum approved by ordinance adopted by the Hillsborough County Board of Commissioners on April 20, 2022. Although HART serves residents of the County and surrounding areas, it is not an organizational unit of the County. It is an independent special district created under Chapter 163, Part V, *Florida Statutes* in October 1979 to plan, finance, acquire, construct, operate and maintain mass transit facilities and supply transportation assistance in Hillsborough County. As required by the County ordinance authorizing the surtax, the County Clerk of the Circuit Court must transfer 45 percent of the surtax proceeds to HART. There is no direct interdependence between the County

and HART with respect to finances or other resources. Each entity has separate accountability structures/oversight for the surtax funds, internal control structure, and legal compliance. The performance audit included an examination of the issues identified below.

- The economy, efficiency, or effectiveness of the program.
- The structure or design of the program to accomplish its goals and objectives.
- Alternative methods of providing program services or products.
- Goals, objectives, and performance measures used by the program to monitor and report program accomplishments.
- The accuracy or adequacy of public documents, reports, and requests prepared by the Authority or which relate to the program.
- Compliance of the program with appropriate policies, rules, and laws.

Findings for each of the six issue areas were based on the extent to which the programs met expectations established by audit subtasks. Overall, the audit found that HART met expectations in 5 areas and partially met expectations in 1 area. Of the 25 total subtasks, the audit determined that HART met 20 and partially met 5.

A summary of audit findings by issue area is presented below. A more detailed overview of the findings can be found in the Executive Summary.

Findings by Issue Area ------------------------

Economy, Efficiency, or Effectiveness of the Program

The MJ Team reviewed HART operations associated with the surtax and determined that all program managers use various reports and data on a regular basis and that the information is adequate to monitor program performance and costs. HART has developed a rich portfolio of key performance indicators (KPIs) and uses them to periodically assess program performance and costs. HART evaluates performance and costs based on reasonable measures, including best practices. The cost, timing, and quality of current projects was evaluated using a sample of five projects. Except for one project which exceeded the planned contract date, projects were completed well, within budget, timely, and for reasonable costs compared to estimates. However, MJ determined that HART program administrators had not taken reasonable and timely actions to address findings and recommendations included in all audit reports. HART should establish a policy that requires development of a corrective action plan in response to findings and recommendations in any relevant internal or external report on program performance and cost. The plan should describe the findings and recommendations, management's responses, staff responsible for implementation, timeline, resource requirements, and other pertinent information. Lastly, HART demonstrated that it has established written policies and procedures to take maximum advantage of competitive bids.

The structure or design of the program to accomplish its goals and objectives

HART maintains an organizational structure that has clearly defined units, minimizes overlapping functions, and has no excessive administrative layers. The current turnover rate for non-bargaining positions (non-union) is 28% and the vacancy rate is 20%, which is high based on human resources best management practices. The employees covered under the collective bargaining agreement (union) make up nearly 83% of the current workforce at HART. As of July 2022, there are currently 37 vacant bus operator roles and the turnover rate based on a rolling 12-month period (July 1, 2021, through June 30, 2022) is at 20%. Strategies are underway to focus recruiting efforts on positions that are critical to providing and supporting the continuation of services to the community and business units, such as bus drivers. To address high turnover and vacancy rates, HART should continue to evaluate salary and wage rates to ensure they are competitive and refine recruitment and retention strategies and consider establishing goals to lower turnover and vacancy rates for all non-bargaining and collective bargaining employees to the suggested guideline of 10%.

Alternative methods of providing services or Products

HART program administrators have formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing services. An example described by HART staff was the decision to contract out payroll services rather than using in-house personnel. This decision saved approximately $500,000 annually and reduced the risk of non-compliance. Additionally, program administrators have made changes to service delivery methods when their evaluations/assessments found that such changes would reduce program cost without significantly affecting the quality of services. The example of this approach is the review of the consultant contract for the preparation of the Transit Development Plan. Upon review, HART administrators determined in-house personnel would be able to perform certain tasks better and more cost effectively than having the consultant conduct such work. HART has a long tradition of working with its peers in the Tampa Bay area. HART has taken the lead in coordinating with Tampa Bay peers in procuring a region-wide fare system. The Flamingo Pass is in the final stages of implementation and will allow riders to use the same fare card throughout Tampa Bay. HART has also been the lead agency in the common fuel procurement contract, which is now entering its third option year for the current contract.

Goals, objectives, and performance measures used by the program to monitor and report program accomplishments

Program goals and objectives for Transportation Operations and the Project Management Office are included in the Success Plan and are clearly stated, measurable, and consistent with HART's Transit Development Plan (TDP) or strategic plan. However, documentation was not provided to determine if goals and objectives can be achieved within budget. While HART uses various performance measures which provide progress toward meeting program goals and objectives, additional performance measures required in the TDP and Success Plan are not used to evaluate program performance and the Success Plan's Performance Scorecard lacks updating since Fiscal Year 2020. HART should ensure that all required performance measures are reported at least annually and document the required Capital Development performance measures including completing projects within schedule and budget. Internal controls such as policies and procedures provide reasonable assurance that program goals and objectives will be met.

The accuracy or adequacy of public documents, reports, and requests prepared by the County which relate to the program

HART prepares and makes available in the public domain financial and non-financial information that is useful, adequate, and accurate. HART uses some internal data analytics to assess the adequacy of the data it provides to the public; however, a more formal evaluation process (report) to periodically evaluate the adequacy and accuracy of data is needed. This evaluation should address factors such as whether the information is relevant, useful, and reached its intended audiences. HART's website provides both adequate program performance and cost information. HART provided evidence that it has a process in

place to ensure financial data available to the public is accurate and also has a process in place to ensure that incorrect, erroneous, and incomplete information is corrected in a timely manner.

Compliance of the program with appropriate policies, rules, and laws

HART has a process to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies. HART has developed procedures manuals to comply with federal and state grants management requirements. HART prepares a five-year major Transit Development Plan (TDP) and completes an annual update in the form of a progress report each year. The TDP is required by the Florida Department of Transportation (FDOT) of transit agencies receiving federal and state grant programs. Federal transit grant recipients are required

to obtain the services of an independent auditor to conduct a single audit each year. The CAFR completed on September 30, 2021, independent auditor did find a material weaknesses for the internal control over financial reporting. HART staff acknowledged the deficiencies, indicated acceptance, and documented the action taken to resolve the deficiency. The corrective action plan prepared by HART management to address the findings in the single audit demonstrates that management takes reasonable and timely actions to address any noncompliance identified by an external audit. HART has taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state, laws, rules and regulations. The Independent Oversight Committee has been established to ensure HART is meeting the requirements of the ordinance.

McConnell Jones

September 6, 2022

Ms. Bonnie M. Wise
County Administrator
Hillsborough County, Florida
601 E. Kennedy Blvd., 26th Floor
Tampa, Florida 33602

Ms. Adelee Marie Le Grand
Chief Executive Officer
Hillsborough Transit Authority (HART)
1201 E. 7th Avenue
Tampa, Florida 33605

Dear Ms. Wise and Ms. Grand:

McConnell & Jones LLP (the MJ Team) is pleased to submit our final report of the performance audit of Hillsborough County (the County) and the Hillsborough Transit Authority (HART) pursuant to s. 212.055(11), *Florida Statutes*. In accordance with the requirements of the *Laws of Florida*, the Office of Program Policy Analysis and Government Accountability (OPPAGA) selected MJ to conduct a performance audit of the programs associated with the discretionary sales surtax proposed by the Hillsborough Board of County Commissioners (BOCC). Florida-based, Dover Engineering, PLLC, IBI Group Professional Services (USA), Inc., and Mr. Anthony Johnson augmented the Hillsborough/ HART review team.

We conducted this performance audit in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Those 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 the audit objectives.

The objective of the audit was to fulfill the requirements of s. 212.055(11) *Florida Statutes*. This statute requires that Florida local governments, with a referendum on the discretionary sales surtax undergo a performance audit conducted of the program associated with the proposed surtax adoption. The audit must be conducted at least 60 days before the referendum is held. OPPAGA is charged with procuring and overseeing the audit. The subject auditees for this performance audit were the Hillsborough County Public Works (PW) Department and supporting departments and HART.

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The objectives of the audit are consistent with the requirements of the statute, which are to evaluate the program associated with the proposed surtax adoption based on the following criteria:

1. The economy, efficiency, or effectiveness of the program
2. The structure or design of the program to accomplish its goals and objectives
3. Alternative methods of providing services or products
4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments
5. The accuracy or adequacy of public documents, reports, and requests prepared by the County, which relate to the program
6. Compliance of the program with appropriate policies, rules, and laws

We developed a work plan outlining the procedures to be performed to achieve the above audit objectives. Those procedures and the results of our work are summarized in the Executive Summary and discussed in detail in Section 1 - Hillsborough County and Section 2 - Hillsborough Transit Authority (HART) of the report.

Based upon the procedures performed and the results obtained, the audit objectives have been met. We conclude that, with the exception of the findings discussed in the report and based upon the work performed, Hillsborough County and HART have sufficient policies and procedures in place, supported by appropriate documentation, reports, monitoring tools, and personnel to address the statutory criteria defined in s. 212.055(11), *Florida Statutes*.

This report is intended for the information and use of Hillsborough County and HART. As required by *Florida Statute* s. 212.055(11), this report must be posted on the County's and HART's website at least 60 days before the referendum is held and kept on the respective websites for two (2) years from the date posted.

Firm Signatures

Houston, Texas
September 6, 2022

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INTRODUCTION

HILLSBOROUGH COUNTY AND HART PERFORMANCE AUDIT OVERVIEW

This report is divided into two sections: The first section presents the performance audit of Hillsborough County while the second section presents the performance audit of the Hillsborough Transit Authority. Hillsborough Transit Authority is the legal name shown in the Agency's charter and in Ordinance 22-9. Hillsborough Transit Authority is publicly recognized as Hillsborough Area Regional Transit Authority and the acronym HART. In this report, the agency's name is referenced as both Hillsborough Transit Authority and HART. Although HART serves residents of the County and surrounding areas, it is not an organizational unit of the County. HART is an independent special district created under Chapter 163, Part V, *Florida Statutes*. HART was created in October of 1979 to plan, finance, acquire, construct, operate and maintain mass transit facilities and supply transportation assistance in Hillsborough County.

Hillsborough County is a member of HART. As such, four Hillsborough County Commissioners currently serve on the HART Board. However, HART develops its own budget and manages its own finances separate from the County.

Section 212.055(1), *Florida Statutes*, authorizes counties to levy a discretionary sales surtax subject to approval by a majority vote of the electorate of the county. On April 20, 2022, the Hillsborough County BOCC adopted Ordinance Number 22-9 to place a one percent sales surtax on the November 8, 2022, ballot. As required by the County ordinance authorizing the surtax, the County Clerk of the Circuit Court will retain the County's portion and must transfer 45 percent of the surtax proceeds to HART.

The ordinance stipulates that HART's surtax-funded public transportation projects are to be consistent with HART's Transportation Development Plan, which HART developed in 2017. It provides a strategic view of transit operations within the service area and HART's plan to develop different aspects from service area, routes, maintenance, and infrastructure to support these efforts over the next 10 years.

As required by the ordinance, the Clerk of the Circuit Court of Hillsborough County, a constitutional officer separate and apart from Hillsborough County BOCC is required to transfer 45 percent of the surtax proceeds to HART. There is no direct interdependence between the County and HART with respect to finances or other resources. Each entity has separate accountability structures/oversight for the surtax funds, internal control structure, and legal compliance.

SECTION 1 – HILLSBOROUGH COUNTY

HILLSBOROUGH COUNTY EXECUTIVE SUMMARY

HILLSBOROUGH COUNTY OVERVIEW

Hillsborough County (the County), located on the Gulf Coast of Florida, is home to a population of 1,459,762 per the 2020 Census. Established in 1834, Hillsborough County is now the fourth most populous county in Florida. The County's seat, and largest city is Tampa, and is part of the Tampa–St. Petersburg–Clearwater Metropolitan Statistical Area. Hillsborough County is governed by a Board of County Commissioners (BOCC) comprised of seven District Commissioners. Of the seven District Commissioners, four are elected from single-member districts and three are elected county wide. Additionally, The BOCC appoints a County Administrator who is responsible for preparing and annual budget and monitoring the effectiveness of services provided by the County. Hillsborough Transit Authority (HART) provides public transportation for Hillsborough County.

BUDGET SUMMARY

The County's Fiscal Year 2022 budget totals approximately $7.5 billion. The Engineering and Operations Department (EOD) and Capital Projects Department (CPD) are the primary components of Public Works and are the program areas that will use the surtax should the referendum pass in November 2022. These program areas are included among County Administrator Departments that perform all critical County operations such as water resources, health care services, fire rescue, solid waste, and other functions necessary to serve County residents. The County administrator departments represent 22 percent of the total County budget. As shown in **Figure ES-1**, EOD and CPD represent 7 percent of the administrator departments and less than 2 percent of the total County budget.

Description	Fiscal Year 2022	Percent of County Administrator Departments	Percent of Total County Budget
Engineering and Operations	$97,799,603	6%	1%
Capital Projects	$11,529,384	1%	<1%
Other County Administrator Departments	$1,514,066,166	93%	20%
Total County Administrator Departments	**$1,623,395,153**	**100%**	**22%**
Non-County Administrator Budgets			
Board of County Commissioners	$4,048,891		
County Attorney	$9,842,810		
Elected Officials	$602,835,302		
Judicial Branch	$13,078,150		

Description	Fiscal Year 2022	Percent of County Administrator Departments	Percent of Total County Budget
Boards, Commissions, & Agencies	$34,209,336		
Total Non-Departmental	$1,895,899,981		
Transfers, Reserves, & Refunds	$3,299,364,692		
Total Non-County Administrator Budgets	**$5,859,279,162**		
Total Fiscal Year 2022 County Budget	**$7,482,674,315**		

FIGURE ES-1: *Hillsborough County Budget Overview.*
Source: Fiscal Year 2022 Hillsborough County Budget

RESEARCH TASK 1 – The Economy, Efficiency, or Effectiveness of the Program.

Finding Summary: Overall, Hillsborough County Meets Research Task 1.

The MJ Team reviewed Public Works, the County department associated with the surtax through its Engineering and Operations Department (EOD) and Capital Programs Department (CPD) and determined that program managers use various reports and data on a regular basis and that the information is adequate to monitor program performance and costs. Each program reviewed is periodically evaluated using performance information and other reasonable criteria to assess performance and costs. We also reviewed findings and recommendations in relevant internal or external reports on program performance and costs noting that administrators took reasonable and timely actions to address deficiencies in program performance and costs identified in such reports. All program administrators evaluate performance and costs based on reasonable measures, including best practices. For the sample of projects reviewed, overall, they were of reasonable cost and completed well, on time, and within budget. However, PW should ensure that change orders are approved by the BOCC prior to incurring additional costs and extending the project timeline for Punch List items and the Final Completion Letter is submitted in accordance with County policy. One of the four projects is reported as completed as the roadway is open for public use; however, the project is still pending the BOCC's approval in September 2022 of the final change order to increase the contract amount by $303,260 and completion of items remaining on the Punch List.

Finally, the County has written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

Research Subtask	Conclusion	Recommendation
1. The Economy, Efficiency, or Effectiveness of the Program		
1.1	Met	None
1.2	Met	None
1.3	Met	None
1.4	Met	None
1.5	Met	None
1.6	Partially Met	**RECOMMENDATION 1.6:** Ensure that change orders are approved by the BOCC prior to incurring additional costs and extending the project timeline for Punch List items and the Final Completion Letter is submitted in accordance with County policy.
1.7	Met	None

FIGURE ES-2: *Summary of Hillsborough County Research Results for Task 1.*

RESEARCH TASK 2 – The Structure or Design of the Program to Accomplish its Goals and Objectives.

<u>Finding Summary</u>: Overall, Hillsborough meets Research Task 2.

Public Works (PW) was reorganized in 2018 to streamline the organization and improve service delivery. The MJ Team found that the County maintains an organizational structure that has clearly defined units, minimizes overlapping functions, and has no excessive administrative layers. PW provided examples of how it effectively uses workload data to assign staff. The current vacancy rate is approximately 10%, which is an improvement over last year's rate which had been about 18% of total staff and approximately 28% for first year employees. The County recently approved a cost-of-living increase of 3% for employees, as of July 20, 2022. The Human Resources Department is conducting further compensation and labor market studies to provide recommendations for additional compensation adjustments, if needed. Some County employees are covered by a collective bargaining (union) agreement. Along with compensation adjustments the Human Resources Department is working with the American Federation of State County and Municipal Employees (AFSCME) for additional retention strategies for this category of employees.

Research Subtask	Conclusion	Recommendation
2. The Structure or Design of the Program to Accomplish its Goals and Objectives		
2.1	Met	None
2.2	Met	None

FIGURE ES-3: *Summary of Hillsborough County Research Results for Task 2.*

RESEARCH TASK 3 – Alternative Methods of Providing Services or Products.

<u>Finding Summary</u>: Overall, Hillsborough County meets Research Task 3.

Hillsborough County (the County) demonstrated that program administrators, through PW's Decision Unit, formally evaluate existing in-house services and assess alternative contracting methods to ensure costs are reasonable. PW demonstrated that it is less costly in certain cases to utilize in-house inspection staff in lieu of contracted inspection staff. PW made changes to service delivery methods, when evaluations found that changes would reduce program cost without significantly affecting the quality of services.

Research Subtask	Conclusion	Recommendation
3. Alternative Methods of Providing Services or Products		
3.1	Met	None
3.2	Met	None
3.3	Met	None
3.4	Met	None

FIGURE ES-4: *Summary of Hillsborough County Research Results for Task 3.*

RESEARCH TASK 4 – Goals, Objectives, and Performance Measures Used by the Program to Monitor and Report Program Accomplishments.

Finding Summary: Overall, Hillsborough County partially meets Research Task 4.

Program goals were clearly stated, measurable, can be achieved within budget and align with the County's strategic plan. Although some performance measures such as pavement and bridge condition inspections are sufficient and clearly documented, other performance measures such as for bicycle and pedestrian infrastructure are referenced in documents without a clear statement of relevant performance measures. At least twelve (12%) of the general purpose surtax, if passed, shall be expended on bicycle or pedestrian infrastructure and related improvements. Internal controls, including policies and procedures, provide reasonable assurance that program goals and objectives will be met. The County should ensure that performance measures for bicycle and pedestrian infrastructure are developed, clearly documented and monitored.

Research Subtask	Conclusion	Recommendation
4. Goals, Objectives, and Performance Measures Used by the Program to Monitor and Report Program Accomplishments		
4.1	Met	None
4.2	Partially Met	**RECOMMENDATION 4.2 –** Ensure that performance measures such as for bicycle and pedestrian infrastructure are developed, clearly documented and monitored.
4.3	Met	None

FIGURE ES-5: *Summary of Hillsborough County Research Results for Task 4.*

RESEARCH TASK 5 – The Accuracy or Adequacy of Public Documents, Reports, and Requests Prepared by the County, which Relate to the Program.

Finding Summary: Overall, Hillsborough County meets Research Task 5.

The County prepares and makes available in the public domain financial and non-financial information that is useful, adequate, and accurate. The County effectively uses internal and external data analytics and reports to assess the adequacy of the information it provides to the public. The Communications & Digital Media Department has developed an effective assessment tool that measures factors such as social media engagement, citizen engagement, and productivity, which demonstrates quality service from County government. The County provided evidence that it has a process in place to ensure financial data available to the public is accurate as well as a process to ensure that incorrect, erroneous, and incomplete information is corrected in a timely manner.

Research Subtask	Conclusion	Recommendation
5. The Accuracy or Adequacy of Public Documents, Reports, and Requests Prepared by the County which, Relate to the Program		
5.1	Met	None
5.2	Met	None
5.3	Met	None
5.4	Met	None
5.5	Met	None

FIGURE ES-6: *Summary of Hillsborough County Research Results.*

RESEARCH TASK 6 – Compliance of the Program with Appropriate Policies, Rules, and Laws.

<u>Finding Summary</u>: Overall, Hillsborough County partially meets Research Task 6.

The County employs fulltime legal staff responsible for providing transactional and governance legal services to the County. In this capacity, the attorneys review all contracts requiring board approval for compliance with legal requirements and board policy. The County obtains outside legal assistance when necessary. The County stays abreast of federal and state legislative changes through membership in professional associations and through contracts with three lobbying firms that represent the County's interests at the state and federal level. Policies and procedures are a key internal control, yet financial policies lack updates for over 10 years. The County should review and update financial policies, especially those over 10 years old. The annual external auditor's reports reviewed demonstrated that the more significant audit findings were corrected and not repetitive indicating overall timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means. However, the County lacked implemented corrective action plans for the external auditor's reported repeat management letter comments and one current year audit finding. MJ recommends that the Office of Clerk continue to monitor and implement action plans to correct repeat management letter comments and resolve the current year audit finding. Finally, program administrators took reasonable and timely actions to determine whether planned uses of the surtax were in compliance with applicable state laws, rules, and regulations particularly as such laws relate to Section 212.055(1), *Florida Statues*- Charter County and Regional Transportation System Surtax and to the County's planned surtax uses outlined in Ordinance Number 22-9, adopted by the BOCC on April 20, 2022.

Research Subtask	Conclusion	Recommendation
6. Compliance of the Program with Appropriate Policies, Rules, and Laws		
6.1	Met	None
6.2	Partially Met	**RECOMMENDATION 6.2 -** County – Review and update financial policies especially those over 10 years old.
6.3	Partially Met	**RECOMMENDATION 6.3 –** Office of Clerk – Continue to monitor and implement action plans to correct repeat management letter comments and resolve the current year audit finding.
6.4	Met	None

FIGURE ES-7: *Summary of Hillsborough County Research Results for Task 6.*

PROGRAM DESCRIPTION AND MANAGEMENT

Following the April 20, 2022, public hearing, the Hillsborough County BOCC voted 5 to 2 to send to referendum a proposed one percent transportation surtax for voter approval. On the November Ballot, should voters approve the referendum, the HART departments and departments presented in **Figure ES-8** will manage, oversee, and use, the funds for the indicated programs.

Department	Programmatic Use
Transit Administration and Transportation Operations	Forty-five percent (45%) of the Surtax proceeds, the "Transit Restricted Portion", will be allocated for the planning, development, construction, operation, and maintenance of public transportation projects located solely in Hillsborough County. Of the Transit Restricted Portion, no less than 45% of the funds shall be spent on enhancing bus services. No less than 25% shall be spent on transit services that utilize exclusive transit right-of-way for at least 50% of the applicable service. And any remaining portions of the Transit Restricted Portion shall be spent on any project to improve public transportation permitted by *Florida Statutes* or Ordinance 22-9.
Transportation and Maintenance Operations	The remaining .5% of the Surtax Proceeds is allocated by the Clerk for the "Planning and Development Portion". This includes data collection, analysis, planning, and grant funding to assist other Agencies carrying out the projects.

FIGURE ES-8: *HART Departments that will manage, oversee, and use the funds and for the programs indicated, if approved by on the November Ballot.*

RESEARCH TASK 1

FINDING SUMMARY

THE ECONOMY, EFFICIENCY, OR EFFECTIVENESS OF THE PROGRAM.

Overall, Hillsborough County meets Research Task 1.

The MJ Team reviewed Public Works, the County department associated with the surtax through its Engineering and Operations Department (EOD) and Capital Programs Department (CPD) and determined that program managers use various reports and data on a regular basis and that the information is adequate to monitor program performance and costs. Each program reviewed is periodically evaluated using performance information and other reasonable criteria to assess performance and costs. We also reviewed findings and recommendations in relevant internal or external reports on program performance and costs noting that administrators took reasonable and timely actions to address deficiencies in program performance and costs identified in such reports. All program administrators evaluate performance and costs based on reasonable measures, including best practices. For the sample of projects reviewed, overall, they were of reasonable cost and completed well, on time, and within budget. However, PW should ensure that change orders are approved by the BOCC prior to incurring additional costs and extending the project timeline for Punch List items and the Final Completion Letter is submitted in accordance with County policy. One of the four projects is reported as completed as the roadway is open for public use; however, the project is still pending the BOCC's approval in September 2022 of the final change order to increase the contract amount by $303,260 and completion of items remaining on the Punch List. Finally, the County has written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 1.1 – Review any management reports/data that program administrators use on a regular basis and determine whether this information is adequate to monitor program performance and cost.

OVERALL CONCLUSION

Subtask 1.1 is met. To reach this conclusion, Team MJ conducted a joint interview with individuals in the following positions:

- Assistant County Administrator Public Works
- Director Engineering & Operations Department
- Director Capital Programs Department
- Systems Planning Engineer

- Transportation Maintenance Manager

- Division Director-Environmental Services Division

We also conducted a separate joint interview with the Division Director Business Operations and the Public Works / Assistant County Administrator.

We examined management reports/data that program administrators use on a regular basis and determined that the information is adequate to monitor program performance and cost. This information is discussed in the analysis section below and represents evidence that the subtask is met.

ANALYSIS

Hillsborough County Joint Construction in Progress (CIP) Update FY22 Mid-Year Report

The *Hillsborough County Quarterly Joint CIP Update Report* (CIP Update) provides information in the areas of capital programs, water resources, facilities management and real estate services, economic development, and solid waste.

Program administrators for these areas use the programmatic and financial information in CIP Update to assess program performance and costs. The CIP Update is adequate to monitor program performance and costs because it consists of historical and projected financial and CIP performance information. It also includes an overview of year-to-date accomplishments for transportation, stormwater, architecture services, repairs & maintenance, water resources, and solid waste.

An expenditure summary in the report provides total combined expenditures from Fiscal Years 2017 through 2022. This information provides program administrators with a historical analysis of expenditure trends that enables them to track costs at a high level over time. Not only does the report include actual expenditure information, but it also includes planned expenditures for each program area.

The CIP Update provides program administrators with a recap of construction starts and completions for the fiscal year. The recap shows the project type (transportation, stormwater, potable water, solid waste, etc.) and provides the number of projects started for each project type, the construction value, and the number of projects completed. This information gives program administrators an overview of the status and costs of projects in progress and projects completed.

The CIP Update also provides program administrators with the total budget for each program area, the number of projects, and the number and percentage of projects that are on schedule and not on schedule.

There is also information on projected procurements for the next six months. This information shows the project name, estimated award amount, estimated bid advertised, estimated award date, program, and procurement type. Program administrators use this information to identify

expenditures that are in the pipeline and will be incurred in the near term so they can effectively manage their project costs. The CIP Update ends with a list of initiatives and challenges for the fiscal year. The MJ Team determined through review of the CIP Update that it is adequate to monitor project performance and cost.

Top 20 Report

The Top 20 Report shows baseline, projected, and actual expenditures for the Top 20 CIP projects. It shows the project number, title, and baseline expenditure projections for each quarter of the fiscal year. It also provides actual expenditures for each quarter with a column for the difference between total projected and total actual expenditures for each project. It also shows encumbrances for each of the top 20 projects. The Top 20 Report is useful for program administrators to prioritize how they manage and monitor the cost of their construction project portfolio. The report also presents the information graphically, which enables program administrators to grasp the information at a glance.

Top 10 Report

Whereas the Top 20 Report prioritizes the top construction projects, the Top 10 Report shows the top-10 maintenance work activities for each program area. The Top 10 Report is prepared monthly to provide management with insight about stormwater and transportation work activities that consume the most resources, i.e., labor hours and money. The report also provides the total number of work orders completed and a comparison to the previous year thereby providing management the ability to identify trends and track progress goals. It describes the work and summarizes the number of work orders, total labor hours, and total costs. It also compares information for the current and prior fiscal years. The Top-10 Report enables program administrators to track work orders, labor hours, and costs for high priority maintenance work and to compare the information to the previous years to identify priorities and trends.

Budget-to-Actual Report

Each month, Business Operations staff prepare budget-to-actual reports that PW department directors and managers use to monitor and control their costs. The report captures financial data exported from the County's financial accounting system into an Excel workbook. The workbook is designed to enable department directors and managers to review their cost center budgets and contains the seven worksheets described below.

- **Summary** – Shows the department, cost center, account/fund number and description, budgeted expenditures, actual expenditures, encumbrances, percentage of budget remaining, and actual expenditures for each month of the fiscal year. The summary provides department directors and managers with a high-level summary of their costs.
- **Summary Operating Expenses** – Shows essentially the same classifications as the summary tab except operating expenses are broken out into discretionary and non-

discretionary categories. This information provides department directors and managers with the ability to discriminate between essential and optional operating costs.

- **Non-Discretionary Operating Expenses** – Provides a further breakdown of budgeted, actual, and encumbered non-discretionary operating expenses by department, by month. This information allows department directors and managers to focus on and monitor essential spending.

- **Personnel** – Shows essentially the same classifications as the summary tab except the focus is on personnel costs such as salaries & wages, shift pay, overtime pay, paid compensation leave, and other personnel costs. This information gives department directors and managers the ability to monitor the cost of human resources allocated to their cost center.

- **Contractual Services** – Shows essentially the same classifications as the summary tab except the focus is on expenditures for contractual services such as engineering, professional, and other contracted services. This information provides department directors and managers with visibility into their contracted expenditures.

- **Fleet Management** – Shows essentially the same classifications as the summary tab except the focus is on costs necessary to manage the department's fleet of vehicles such as fuel and oil, management services, and vehicle rental and equipment. This information enables department directors and managers to monitor the costs necessary to manage their vehicle fleet.

- **Open Purchase Orders** – Shows the order and supplier number, supplier name, item description, account code and description, amount, and purchase order remaining balance. This information enables department directors and managers to keep track of outstanding purchases.

The budget-to-actual reports provides critical financial information that empowers program administrators to monitor and manage their cost center.

> **SUBTASK 1.2 – Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.**

OVERALL CONCLUSION

Subtask 1.2 is met. To reach this conclusion, the MJ Team conducted interviews with individuals in the positions listed in Subtask 1.1. We also examined pavement condition reports, bridge inspection reports, and a Florida Department of Transportation (FDOT) contract compliance audit. This information is discussed in the analysis section below and represents evidence that the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and costs.

ANALYSIS

Pavement Condition Assessment

The County uses a pavement management system to analyze, report, and manage the condition of its road network. The County engaged an infrastructure consulting firm to evaluate its roads and to provide pavement management services including Pavement Condition Index (PCI) inspections and analysis on approximately 1,200 centerline miles of pavement. Centerline miles measure the length of a road or highway regardless of how many lanes it has.

The pavement consulting firm's June 2022 report documented observed road conditions. The consultant gathered information that PW staff entered into the County's pavement management system. The County uses the Paver Pavement Management System (PAVER) for data analysis, reporting requirements, and other pavement management tasks. The Army Corps of Engineers developed PAVER in the 1970s to help the U.S. Department of Defense perform maintenance and repairs for its vast inventory of pavements. PAVER uses road condition data to produce a pavement condition index (PCI) rating to predict current and future road maintenance and repair needs and costs.

The PCI was later modified by the American Society for Testing and Material (ASTM), which is an international standards organization that develops technical standards for a wide range of materials, products, systems, and services. The PCI is the common method used to identify sections of road needing preventative maintenance, rehabilitation, or reconstruction work. The BOCC adopted ASTM's PCI standard in September 2008.
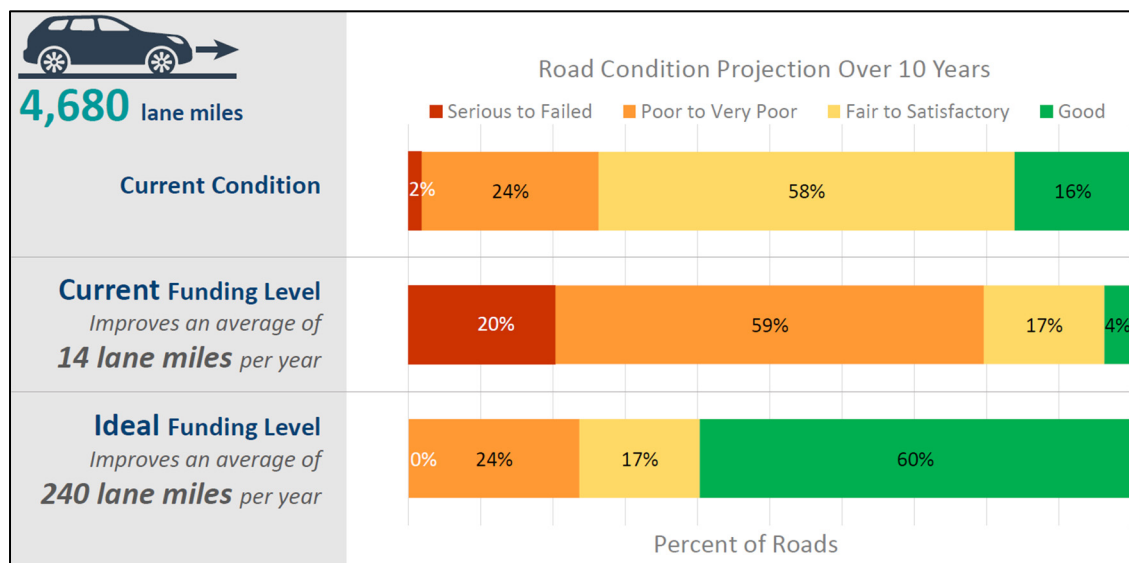
The consultant performed PCI inspections on County roads in accordance with ASTM D6433 Standard Practice for Roads and Parking Lots Pavement Condition Index Surveys. The consultant performed visual inspections, rated road conditions, and developed pavement deterioration models based on PCI ratings.

Figure 1-1 provides road condition categories by PCI rating that PW administrators use to assess the County road conditions.

Good	100	85
Satisfactory	85	70
Fair	70	55
Poor	55	40
Very Poor	40	25
Serious	25	10
Failed	10	0

FIGURE 1-1: *The pavement condition index (PCI) enables Public Works to rate County road conditions.*
Source: Internet search and Hillsborough County Transportation Workshop Asset Preservation, May 26, 2021.

Figure 1-2 illustrates the condition of the County's roads based on the PCI. The first bar shows the condition of County roads as of May 2021. Based on the PCI rating system, 74 percent (58% plus 16%) of the County's roads were in fair to good condition while 26 percent (24% plus 2%) were poor to failed. The second bar shows road conditions over a 10-year period at the funding levels existing in May 2021. The third bar shows road conditions over 10-year period at ideal funding levels.

4,680 lane miles

Road Condition Projection Over 10 Years
■ Serious to Failed ■ Poor to Very Poor ■ Fair to Satisfactory ■ Good

Current Condition: 2% | 24% | 58% | 16%

Current Funding Level
Improves an average of **14 lane miles** *per year*: 20% | 59% | 17% | 4%

Ideal Funding Level
Improves an average of **240 lane miles** *per year*: 0% | 24% | 17% | 60%

Percent of Roads

FIGURE 1-2: *Current condition of County roads and projected condition over 10-years at current and ideal funding levels.*
Source: Hillsborough County Transportation Workshop Asset Preservation, May 26, 2021.

Figure 1-3 illustrates road conditions and the type of maintenance required to preserve the road for continued use. Roads in good condition only require resurfacing. However, roads in serious to failed condition require reconstruction.
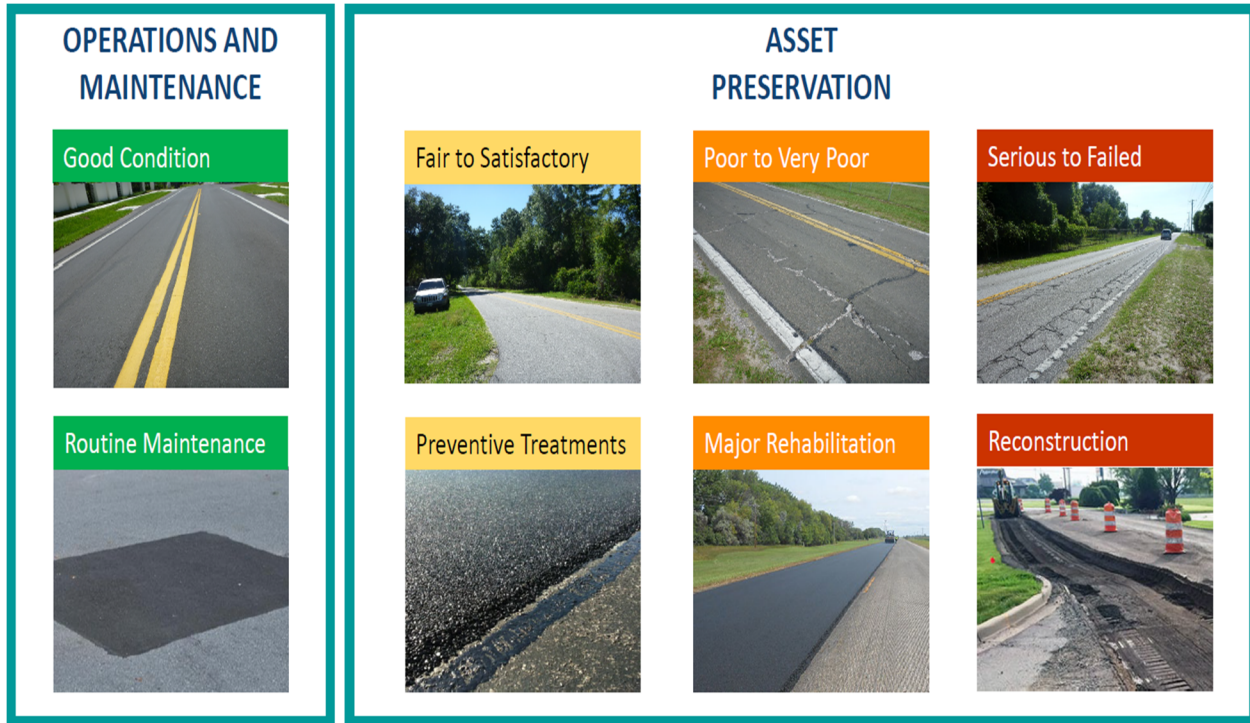
FIGURE 1-3: *Road conditions determine the type of work required.*
Source: Hillsborough County Transportation Workshop Asset Preservation, May 26, 2021.

The consultant's pavement inspection report, dated June 2022, indicated that the overall PCI for the County's roads was 73, which is satisfactory. The overall rating was determined from a database of inspected roads that provided a PCI rating for each road. The pavement consultant's report provided PCI values for each road inspected.

To illustrate, a section of the database is provided in **Figure 1-4**. The pavement consultant's report provided PCI values for each road inspected. The MJ Team extracted this information from over 600 pages of roadway information. Pavement assessments provide detailed performance and cost information that PW administrators use to evaluate the condition of the County's road system.

Pavement Database: MP   NetworkID: ROADS

Branch ID	Section ID	Last Const. Date	Surface	Use	Rank	Lanes	True Area (SqFt)	Last Inspection Date	Age At Inspection	PCI
45738.00 (BETEL PALM CT)	1		AC	ROADWAY	T	2	4,992	4/27/2022		94
00189.00 (HUCKAVALLE RD)	2		AAC	ROADWAY	T	2	64,746	5/22/2022		80
00017.00 (LUTZ LAKE FERN RD)	7		AC	ROADWAY	P	2	12,000	5/16/2022		33
00127.00 (JIRETZ RD)	8		AC	ROADWAY	T	2	28,080	5/22/2022		62
00715.00 (TOBACCO RD)	32		AC	ROADWAY	S	2	64,044	5/24/2022		70
00045.00 (GUNN HWY)	35		AC	ROADWAY	P	2	38,490	5/23/2022		69

FIGURE 1-4: *The pavement consultant's report provided PCI values for each road inspected.*
Source: Hillsborough County Fiscal Year 2022 Pavement Inspections Report.

Bridge Assessments

The County's bridges are periodically evaluated using performance information and other criteria. Bridge assessments ensure that the County maintains its bridges in satisfactory to very good condition. Every two years, FDOT inspects all public highway bridges in the Florida that are on the National Bridge Inventory (NBI). The NBI is a database, compiled by the Federal Highway Administration (FHWA) with information on all bridges and tunnels in the United States. Accordingly, every bridge in Hillsborough County that is on the NBI is inspected every two years. FDOT performed the County's most recent bridge inspections in 2021. FDOT inspects and rates bridges; however, local governments are responsible for maintaining them.

Engineers in the County's Technical Services Division (TSD), which is within the Engineering and Operations Department (EOD), are responsible for maintaining County-owned bridges. The bridge management team tracks metrics and captures bridge data throughout the year. The County uses information from FDOT's biennial inspections of the County's bridge inventory to schedule routine maintenance and/or bridge rehabilitation and preservation projects. EOD's goal is to maximize the service life of County's bridges while minimizing overall costs.

To achieve this goal, the County contracted with an engineering firm to develop a bridge inventory database to record, store, and organize bridge condition inspection data. The database is a tool for tracking, analyzing, and reporting on the condition of the County's bridge inventory. The database also houses bridge-related data and establishes maintenance, rehabilitation, and replacement estimates for future budget maintenance requirements.

During development of the bridge database, PW administrators and the engineering firm held bi-weekly meetings to gauge progress, discuss options, and refine and improve the database. The end result was a repository for all of the bridge inspection data PW engineers gathered during bridge inspections.

The County reports infrastructure condition assessment results in its Comprehensive Annual Financial Report (CAFR). Infrastructure includes roads, bridges, and stormwater structures. Each

year, EOD prepares a bridge condition report using data from FDOT's bridge assessments. This report is the basis for the infrastructure condition disclosures the County makes in its CAFR.

Team MJ reviewed EOD's Fiscal Year 2021 bridge assessment report dated October 11, 2021, noting that it contained the following sections:

- Cover Memo
- Summary of Inspection Results
- List of Bridges Rated Poor or Worse
- Map of County-Owned Bridges, Fiscal Year 2021 & Fiscal Year 2022 Inspection Status
- End of Fiscal Year 2021 Bridge Inventory Table (with Fiscal Year 2021 Condition Ratings, and Fiscal Year 2022 Inspections Planned)
- Latest Inspection reports for all bridges

EOD's Fiscal Year 2021, report prepared for CAFR disclosure consisted of 275 County bridges not all of which are on the NBI, which records a total of 249 bridges. **Figure 1-5** provides an overview of the results of the assessment and demonstrates that 94 percent of the County's bridges are in satisfactory to very good condition. This information is based on available FDOT bridge inspection reports received by the County as of October 2021. The rating is based on NBI condition ratings developed by the FHWA.

NBI Condition Rating	Number of Bridges	Percentage of Bridges
Excellent	1	<1%
Very Good	10	4%
Good	175	64%
Satisfactory	74	27%
Fair	11	4%
Poor	3	1%
Serious	1	<1%
Critical	0	<1%
Imminent Failure	0	<1%
Failed	0	<1%
Total Bridges Inspected	**275**	**100%**

FIGURE 1-5: *EOD's Fiscal Year 2021 bridge assessment indicated that 94 percent of the County's bridges were in satisfactory to good condition.*
Source: Hillsborough County EOD Fiscal Year 2021 Bridge Assessment Report.

FDOT Contract Compliance Review

The FHWA requires FDOT, as a contracting agency, to ensure that contractors comply with Equal Employment Opportunity, Disadvantaged Business Enterprise, and On-the-Job Training requirements for construction contracts funded with federal dollars. FDOT performed a construction contract compliance review of a County Local Agency Program (LAP) contract in 2021.

LAP is a federal program that FDOT is responsible for administering in Florida on behalf of the FHWA. LAP provides counties and other eligible jurisdictions with federal funds to develop, design, and construct transportation facilities. To be eligible for LAP funding, counties must be LAP-certified with FDOT to demonstrate that they meet program requirements. Through the LAP, counties are essentially certifying that if a project is LAP funded, the agency will abide by LAP procedures and requirements. Certification and recertification demonstrate that the local agency is committed to complying with requirements of the Federal-Aid Highway Program.

FDOT's report, dated February 15, 2021, assessed the County's LAP contract. The outline below shows the areas that FDOT assessed. The list underscores the areas of the contract that FDOT considers to be important for compliance with LAP program requirements. The outline also fosters an understanding of the general areas in which PW must demonstrate LAP program compliance. The reviewers found no deficiencies and made no corrective action statements.

I. **Process & File Organization**
- General Project Oversight
- Non-Compliance

II. **Equal Employment Opportunity (EEO)**
- Company EEO
- Annual July Report
- Subcontracts/Temporary Employment Agency/Rental Agreements

III. **Trucker Observations & Verifications**
- Jobsite Bulleting Board Inspections

IV. **Disadvantaged Business Enterprise**
- Commitments & Payments
- Commercially Useful Function

V. **On-the-Job Training (OJT)-was not required on the assessed project**
- General OJT Oversight

VI. **Wages**
- Wage Decision
- Payroll

- o   Deductions
- o   Payroll Violations/Non-Compliance Communications
- o   Labor Interviews
- o   Project Administrator

VII.   Project Administrator: Acceptable Compliance Awareness
- o   EEO Compliance
- o   Oh-The Job Training

> **SUBTASK 1.3 – Review findings and recommendations included in any relevant internal or external reports on program performance and cost.**
>
> **SUBTASK 1.4 – Determine whether program administrators have taken reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc.**

OVERALL CONCLUSION

Subtasks 1.3 and 1.4 are assessed together because they are so closely related. The subtasks are met overall. To reach this conclusion, Team MJ conducted interviews with the individuals in the positions listed in Subtask 1.1. We also examined bridge inspection reports and associated work orders, FDOT traffic signal maintenance reports, and an internal audit report on non-routine maintenance requests. Using this information, we determined that administrators have taken reasonable and timely actions to address deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc.

ANALYSIS

Bridge Inspection Reports and Work orders

As discussed in Subtask 1.2, FDOT inspects bridges in the County that are on the NBI database. With each inspection, FDOT prepares a bridge inspection report that provides details about the bridge such as name, year built, type, owner, inspection notes, sufficiency rating, health index, repair recommendations, and other highly technical information. The report also includes various bridge photographs.

Figure 1-6 shows a corrosion issue that FDOT identified with Bridge #104306 during a July 2020 inspection. The bridge is located at Taylor Gill Road over the Little Manatee River. The figure shows FDOT's recommendation to address corrosion, which can clearly be seen in the photo. The other recommendation for this bridge was to fill in erosion at specific locations around the bridge. MJ examined a work order dated May 2022 that the County issued to address the issues identified at this bridge.

FLORIDA DEPARTMENT OF TRANSPORTATION
BRIDGE MANAGEMENT SYSTEM
Inspection/CIDR/Bridge Profile Report
Inspection

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Structure ID: 104306
DISTRICT: D7 - Tampa

INSPECTION DATE: 7/14/2020 GRJV

Photo 1: Element 8474 Metal Wall

Typical heavy corrosion on Abutment 1 backwall.

REPAIR RECOMMENDATION:
Remove corrosion, patch holes, and apply a corrosion protective system to all wingwalls and backwalls.

FIGURE 1-6: *FDOT Bridge Inspection Report for Bridge 104306 inspected July 14, 2020.*
Source: FDOT Bridge Inspection Report-Bridge 104306 dated July 14, 2020.

The information below is summarized from two additional FDOT bridge inspection reports that the MJ Team examined. The information shows the bridge number and location, the date of FDOT's inspection, and the repair recommendations FDOT made. Also shown is the date of the workorder that PW created to address FDOT's recommendations. The work order date demonstrates that FDOT's bridge repair recommendations were addressed timely. Timeliness for bridge repairs is explained after the information shown below.

1. Bridge #104304

Location: Bethlehem Road Over South Prong Alafia River

Date of Inspection: July 14, 2020

Recommendations:

- Repair section loss in lower sections of the abutment backwalls and apply corrosion protection to both backwalls and all four wingwalls.
- Fill and stabilize erosion behind the ends of all four wingwalls.
- Repair spalls with exposed rebar in Abutment Cap 3, lower south corner and underside at Pile 3-5. Spall are flakes of material that are broken off of a larger solid body.
- Attach southeast end terminal to post.
- Fill in erosion on southeast slope.
- Replace missing southeast object marker.

Work order Date: April 2022

2. Bridge #104312

Location: McMullen Loop Over Rice Creek

Date of Inspection: April 30, 2020

Recommendations:

- Repair spall/delamination, south curb at Abutment 4. Delamination is a mode of failure where a material fractures into layers.
- Remove deteriorated shotcrete. Clean and apply corrosion protection to backwalls and wingwalls. Repair exposed rebar.
- Repair six spalls/delaminations in Abutment Cap 1 and thirteen in Abutment Cap 4.
- Repair cracks in piles.
- Repair spall in underside of Bent Cap 3 adjacent to Pile 3-1 and east face over Pile 3-5.
- Clean and apply protective coating on exposed wire mesh underside of Beams 3-4, 3-11, and 3-12.
- Patch spall in right leg of Beam 2-12 over Bent 2.

Work order: March 2022

FDOT's bridge repair recommendations were made in a timely manner according to PW engineers. The two-year difference between the inspection reports and work orders results because of the programming process, which can take from one to three years depending on the complexity of the repair and the availability of funding.

PW's Director Engineering and Operations told the MJ Team that one to three years to respond to FDOT's bridge inspection recommendations is reasonable and appropriate given the complexity of bridge repair, engineering requirements, safety considerations, and funding availability.

Following receipt of a FDOT bridge inspection report, the programming process for repair consists of the following activities, which underscore the fact that a one-to-three-year response is considered timely given the nature of bridges and what it takes to repair them:

- Develop scope and estimate for repairs.
- Prioritize all identified bridge repair projects based on level of urgency and risk to the bridge structure.
- Program projects based on the priority and available funding.
- Advance funded projects to design and permitting.
- Generate repair work order following completion of design and permitting.

FDOT Traffic Signal Inspection Reports

The County performs traffic signal maintenance under a 2015 agreement with FDOT for 228 signalized intersections owned by FDOT. Under the agreement, FDOT makes ongoing inspections, and the County makes modifications and improvements to the traffic signals in response to FDOT's inspections.

The MJ Team reviewed the traffic signal maintenance contract between the County and FDOT noting that it delineated the duties and responsibilities of each party. The County is responsible for the maintenance and continuous operation of traffic signals and devices, which include the traffic signals; interconnected and monitored traffic signals; traffic signal systems; control device; emergency/fire department signals; and speed activated waning displays.

FDOT is responsible for conducting inspections of the traffic light structures every five years. The FDOT submits a five-year inspection report of mast arms and steal strain poles, and the County makes recommended repairs that are in its scope of work. FDOT's inspection report serves as a 90-day notice to the County that deficiencies exist that require preventive and periodic maintenance.

Preventive maintenance includes spot painting, cleaning, wiring issues, graffiti removal, signal related issues, and repair and replacement of all components damaged by traffic impact. Periodic maintenance includes repair of cracks in the mast arm structure; removal and/or repair of grout pads; resetting of anchor bolts; and repair or replacement of deteriorated anchor bolts and nuts.

Figure 1-7 summarizes FDOT's most recent traffic signal inspection reports and the County's response, which consisted of work orders issued to address FDOT's maintenance recommendations. FDOT conducted the inspections in December 2021, and approved the

inspection reports in February 2022. The MJ Team examined Work order #TP00165350 dated March 14, 2022, issued to address the recommendations.

Location	Work order Recommendations
State Road 589 North Bound Ramp at Lutz Lake Fern Road	• Tighten all anchor nuts at foundation.
State Road 589 South Bound Ramp at County Road 685A Lutz Lake Fern Road	• Tighten all anchor nuts at foundation.
State Road 589 North Bound Ramp at County Road 685A Van Dyke Road & Fire Station 34	• Tighten all anchor nuts at foundation. • Clean and spot paint anchor bolt ends. • Clean and paint corrosion on both base plates.
State Road 589 North Bound Ramp at County Road 685A (Van Dyke Road)	• Tighten all anchor nuts at foundation. • Install bolt for lower hand hole cover.
State Road 589 South Bound Ramp at County Road 685A (Van Dyke Road)	• Remove grout rings at both foundations and clean and paint any corrosion. • Install vermin screens at both foundations.
State Road 589 (Eisenhower Blvd) North Bound at Memorial Highway	• Remove grout rings at both foundations and clean and paint any corrosion. • Install vermin screens at foundation.

FIGURE 1-7: *FDOT Traffic Signal Inspections Work Order Recommendations and County Work orders. Source: FDOT Traffic Signal Maintenance Reports and County Work order.*

Non-Routine Maintenance Request Internal Audit

The County has two internal audit functions. One auditor is appointed by and reports to the BOCC. This individual conducts audits and reviews of County departments, programs, and services. The other auditor works for the Clerk of Court & Comptroller (Clerk). In Florida, the Clerk is a separately elected public trustee established to provide a system of checks and balances within the County. The Clerk serves as the county treasurer, recorder, auditor, finance officer, and ex-officio clerk of the BOCC.

In May 2021, the Clerk's internal auditor released an audit report on non-routine maintenance requests. The audit objective was to determine whether adequate controls were in place over the intake, tracking, and follow-up of non-routine service requests/work orders. The audit period covered July 1, 2019, to August 3, 2020.

The auditors found that controls over non-routine work orders were well-defined, control awareness exists among staff, and formal procedures and processes were in place. However, the report noted that improvements could be made by closing completed work orders timelier

and continuing to monitor work order allocations to ensure they remain an effective planning tool.

The audit report contained the following recommendation:

> *"Management should monitor work order statuses to ensure that work orders do not remain open once work is completed. This process/procedure should also include a periodic reminder to staff of the importance of closing out completed work orders if exceptions continue to occur."*

PW management concurred with the recommendation and presented the following corrective action plan with a target completion date of June 1, 2021. Maintstar is PW's work order system.

> *"The Transportation Maintenance Division will run a 30-day Work Order Aging Report from Maintstar. This report will be generated bi-weekly and distributed to the maintenance units for follow up on older work orders."*

Team MJ examined a screen shot of the shared drive where the work order aging reports are stored noting that TMD began generating them as of August 2021 and has been producing them each month since that date. Team MJ also examined an email to TMD managers reminding them that, because of the Mainstar upgrade, it was important for them to "clean up" the database and to dedicate the necessary staff hours to the process. Finally, Team MJ examined the June 2022 Work Order Aging report noting that it fulfilled the requirements of the audit report recommendation.

> **SUBTASK 1.5 – Evaluate program performance and cost based on reasonable measures, including best practices.**

OVERALL CONCLUSION

Subtask 1.5 is met. To reach this conclusion, the MJ Team conducted interviews with individuals in the positions listed in Subtask 1.1. We also examined key performance indicators, professional association accreditation, and FDOT bridge assessment data. This information represents evidence that program is periodically evaluated using performance information and other reasonable criteria to assess program performance and costs.

ANALYSIS

Key Performance Indicators

PW administrators use key performance indicators to evaluate program performance and cost. Data analytics staff in the Business Operations Division of PW gather and compile performance data that program administrators use to manage their operations more efficiently and effectively. They also use the information to enhance service to the public.

Team MJ reviewed the Key Performance Indicator (KPI) Report for PW's Technical Services Division (TSD) through the third quarter of Fiscal Year 2022. The report contained KPIs for TSD's three sections: Stormwater Engineering; Transportation Engineering; and Infrastructure Engineering. Each section of TSD reports KPIs for each month and quarter during the fiscal year as well as year-to-date results. The section summary lists the staff who prepared the analysis and the date the information was updated. It also describes the services that the section performs. For example, the services description for the Transportation Engineering Section is: *Providing technical transportation engineering services to improve transportation safety, reliability, and mobility options.*

As an example of TSD's KPI report, **Figure 1-8** provides the summary for the Transportation Engineering Section. The information is as of the third quarter, which constitutes 75 percent of the fiscal year. The summary shows that TSD's Transportation Engineering Section was on track to meet two of the four KPIs summarized in the figure. The performance indicators shown in the figure are reasonable measures given the nature of TSD's operations. It is reasonable the TSD would want to measure performance against the metrics shown in **Figure 1-8** below.

Performance Indicator	Fiscal Year 2022 Target	YTD Actual	Percent Achieved
Technical Service Requests: Investigations completed	1,610	846	53%
Traffic Incident: Emergency activities supported	865	366	42%
Project Development: Deliverables	351	279	79%
Transportation: Technical reviews and determinations	7,655	5,442	71%

FIGURE 1-8: *TMD's Transportation Engineering Section was on track to meet half of the targets presented above as of the third quarter of Fiscal Year 2022.*
Source: Technical Services Division Fiscal Year 2022 Summary of Key Performance Indicators Report.

American Public Works Association Accreditation

The American Public Works Association (APWA) is a not-for-profit association dedicated to serving public works professionals throughout North America and the world. APWA offers an agency accreditation program that provides a formal means of verifying and recognizing public works agencies for compliance with APWA's recommended practices.

APWA accreditation includes a comprehensive review and evaluation of an agency's operational policies and procedures. Successful accreditation demonstrates alignment with accepted industry practices, ensures definitive guidelines are provided to employees to accomplish their assigned tasks, and provides agencies with a framework for decision-making and action.

In May 2022, the APWA Accreditation Council granted re-accreditation to the County's Public Works department (PW) after an evaluation process. APWA granted re-accreditation for another four-year period, which expires July 25, 2026.

APWA publishes a public works management manual for public works professionals that describes basic criteria and procedures necessary to perform as an effective, full-service public works agency. The manual also provides the framework for the objective self-evaluation of an agency. The County's PW function has incorporated many of APWA's practices into its own policies and procedures. The manual consists of 40 chapters. Topics relevant to PW and the surtax include the following:

- transit operations;
- bridges;
- traffic operations;
- street maintenance;
- right-of-way management; and
- construction management.

An agency must demonstrate that it has incorporated APWA best practices into its programs to become APWA certified. Team MJ examined evidence that PW has incorporated APWA practices into its policies, procedures, and operations. These best practices enable PW to evaluate program performance and costs based on reasonable measures, and they are woven into the fabric of the department's work activities. The benefits to PW include identifying opportunities for improvement, establishing more effective standard operating procedures, learning new methods, and identifying team-building tools.

Florida Department of Transportation Bridge Assessment

As discussed in Subtask 1.2, FDOT and EOD evaluate County bridges based on industry measures, including best practices. FDOT uses the following terminology and ratings to define a bridge's condition.

- **Structurally Deficient** – bridge should undergo a series of repairs or replacement within the next six (6) years. FDOT's policy is to repair or replace all the structurally deficient state-owned bridges during that time. FDOT recommends that local governments follow the same schedule for their structurally deficient bridges. According to FDOT's 2022 Third Quarter Report, two Hillsborough County bridges were structurally deficient.

- **Functionally Obsolete** – bridge does not meet current road design standards. For example, some bridges are "functionally obsolete" because they were built at a time when lane widths were narrower than the current standard. According to FDOT's 2022 Third Quarter Report, 40 Hillsborough County bridges were functionally obsolete.

- **Sufficiency Rating** – used to help determine whether a bridge that is structurally deficient or functionally obsolete should be repaired or just replaced. A rating of 100 represents a

perfect bridge (entirely sufficient for its current use). A rating of 0 percent is the worst possible bridge (entirely insufficient for its current use). The sufficiency ratings for bridges are part of a formula used by the FHWA when it allocates federal funds to the states for bridge replacement.

- **Health Index** – measures the overall condition of a bridge. The health index typically includes 10 to 12 different elements that FDOT evaluates. A lower health index means that more work would be required to improve the bridge to an ideal condition. A health index below 85 generally indicates that some repairs are needed, although it doesn't mean the bridge is unsafe. A low health index may also indicate that it would be more economical to replace the bridge than to repair it.

FDOT maintains NBI bridge information for all Florida counties on its website. **Figures 1-9A** through **1-9D** provide an overview of the County's NBI bridges from FDOT's Third Quarter 2022 bridge report and demonstrates that the County's bridges are evaluated periodically. The table shows that a little more than half of Hillsborough County's NBI bridges are more than 40 years old. FDOT inspected 95 percent of Hillsborough County's bridges in 2021 and 2022 and assigned a high sufficiency rating to 85 percent of the County's bridges. FDOT also assigned a high health index rating to 75 percent of the County's bridges.

Hillsborough County Bridge Age		
Range	**Number**	**Percent**
0-10 Years	17	7%
11-20 Years	23	9%
21-30 Years	50	20%
31-40 Years	32	13%
41-50 Years	44	18%
>50 Years	83	33%
Total NBI Bridges	**249**	**100%**

FIGURE 1-9A: *A little more than half of Hillsborough County's NBI bridges are more than 40 years old. Source: Florida Bridge Information-2022 3rd Quarter Report.*

FDOT Inspections of Hillsborough County Bridges		
Year	**Number**	**Percent**
2020	12	5%
2021	155	62%
2022	82	33%
Total NBI Bridges	**249**	**100%**

FIGURE 1-9B: *FDOT inspected 95 percent of Hillsborough County's NBI bridges in 2021 and 2022. Source: Florida Bridge Information-2022 3rd Quarter Report*

Hillsborough County Bridges Sufficiency Rating		
Rating	Number	Percent
0-25	0	0%
25.1-50	4	2%
50.1-75	33	13%
>75	212	85%
Total NBI Bridges	**249**	**100%**

FIGURE 1-9C: *FDOT assigned a high sufficiency rating to 85 percent of Hillsborough County's NBI bridges. Source: Florida Bridge Information-2022 3rd Quarter Report.*

Hillsborough County Bridges Health Index		
Rating	Number	Percent
0-25	1	0%
25.1-50	16	6%
50.1-75	45	18%
>75	187	75%
Total NBI Bridges	**249**	**100%**

FIGURE 1-9D: *FDOT assigned a high health index rating to 75 percent of Hillsborough County's NBI bridges. Source: Florida Bridge Information-2022 3rd Quarter Report.*

Figure 1-10 illustrates the condition of all County's bridges (NBI and non NBI) based on EOD's Fiscal Year 2021 report prepared for CAFR disclosure. The County has a total of 275 bridges of which 249 are NBI bridges assessed by FDOT. The bars show the percent of deck area (bridge surface) square feet that is in the indicated condition. The first bar shows that 72 percent of the County's current bridge surface area as of May 2021 was in good condition while 25 percent was in fair, and 2 percent was in poor condition. The second bar projects bridge surface conditions over a 10-year period at the funding levels existing in May 2021. The third bar shows projected bridge surface conditions over 10-year period at ideal funding levels.
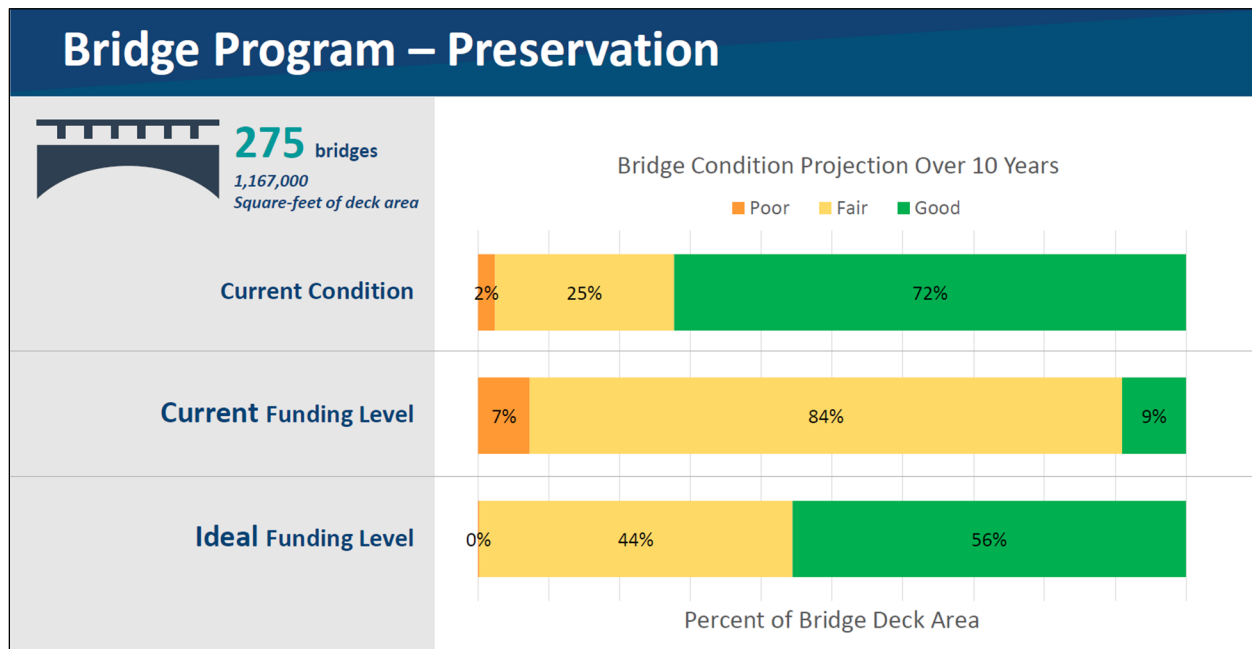
FIGURE 1-10: *Current condition of County bridge surface area and projected condition over 10-years at current and ideal funding levels.*
Source: Hillsborough County Transportation Workshop Asset Preservation, May 26, 2021.

> **SUBTASK 1.6 – Evaluate the cost, timing, and quality of current program efforts based on a reasonably sized sample of projects to determine whether they were of reasonable cost and completed well, on time, and within budget.**

OVERALL CONCLUSION

Overall, this subtask is partially met. For the sample of projects reviewed, overall, they were of reasonable cost and completed well, on time, and within budget. However, PW should ensure that change orders are approved by the BOCC prior to incurring additional costs and extending the project timeline for Punch List items and the Final Completion Letter is submitted in accordance with County policy. One of the four projects is reported as completed as the roadway is open for public use; however, the project is still pending the BOCC's approval in September 2022 of the final change order to increase the contract amount by $303,260 and completion of items remaining on the Punch List.

The July 2022 pending change order requests extending the completion date from December 20, 2021 to March 10, 2022 and to increase costs. The BOCC meeting is scheduled for September 8, 2022. The completion letter states that all items of the roadwork work were completed in accordance with contract documents and all roadway punch list items were completed except items to be completed by December 2022 and some items at no additional cost.

The proposed change order includes costs for additional work already completed plus additional costs for safety modifications and to meet the disadvantaged business threshold. The County's Procurement Procedure Section 6.6.1(C) Changes to Agreements-Modifications states that all modifications (timeline and price) shall be approved by the Board prior to issuing authorization to the bidder to perform the modification. The Certificate of Final Completion states the date of final completion of the work is that date certified by the Project Manager when construction is completed, in accordance with the contract documents, so that the owner may occupy the work for the use for which it is intended.

ANALYSIS

To address the requirements of this subtask, the MJ Team used information obtained from our interview with PW program administrators and examined project documentation with the following results as summarized in **Figure 1-11.** The MJ Team reviewed the following documents to assess the cost, timing, and quality of current program efforts:

- *Reasonable cost:* Compared the department's budget and engineering estimates to the vendors' quotes and executed contract amount.

- *Completed well:* Reviewed the final inspection and letters of substantial completion and final completion and payment of final vendor invoice.

- *Completed on time:* Compared the agreed upon dates per the agreement and Notice to Proceed to the dates per change orders and the letters of substantial and final completion.

- *Completed within budget:* Compared the department's budget amount to the contract amount and final change order amendments.

Description	Maydell Drive Bridge #C69634000	Apollo Blvd Extend to 4 Lanes #C69643	Kenley Elementary Sidewalk Construction #C69608	Citrus Park Drive Extension #C61134
Construction Budget/Engineer's Estimate	$8,616,812 / $7,007,704	$ $22,910,407 / $19,751,656	$361,744 / $346,108	$53,545,778 / $53,572,426
Basis for Vendor Selection	Lowest bidder	Lowest bidder before adding $750,000 allowance; then became 2nd lowest bidder	Lowest bidder	Lowest bidder
No. Tabulated Bids	10	4	5	3
Original Contract Amount	$7,497,250	$20,406,908	$333,735	$47,992,585
Executed Contract Effective Date	8/5/2020	11/16/2020	7/15/2020	5/1/2019
Revised per Change Order	$8,616,105 – CO #1 $8,294,633 – CO#2	N/A	$287,117	$51,955,980 pending BOCC approval of Final Change Order #4

Description	Maydell Drive Bridge #C69634000	Apollo Blvd Extend to 4 Lanes #C69643	Kenley Elementary Sidewalk Construction #C69608	Citrus Park Drive Extension #C61134
Latest Change Order Date	5/18/2022	N/A	8/4/2021	7/22/2022
Change Order – Revised Completion Date	3/31/2022 for unused days	N/A	N/A	12/20/2021 to 3/10/2022
Change Order – Revised Costs	Credit $321,471 for unused allowance funds	N/A	Credit $46,617 for unused allowance funds	Add $303,260
Notice to Proceed By	10/12/2020	1/19/2021	10/26/2020	9/10/2019 Proceed 6/4/2021 Substantial and 7/6/2021 Final
Date Contract Executed	8/13/2020	12/2/2020	7/29/2020	5/10/2019
Target Completion Date	8/27/2022	10/10/2022	4/20/2021	Per Change Order #4: 12/20/2021 Substantial and 3/10/2022 Final
Certificate of Substantial Completion Date	1/4/2022	6/30/2022	1/29/2021	1/11/2022
Final Completion per Certification of Completion Letter	3/31/2022	Opened to traffic and considered "substantially complete" on July 15, 2022	4/20/2021	3/10/2022 pending Punch List items due by December 31, 2022
Reasonable Costs?	Yes; below budget before Change Order	Yes	Yes, below budget	Pending final approved change orders
Completed within Budget?	Yes	Pending final invoice	Yes, below contract amount	Pending final change order approval
Completed Timely?	Yes; early	Yes; early	Yes	Yes; based on change order extensions
Contractor's Affidavit of Final Payment	4/20/2022 for period ending 4/24/2022	PW Department stated waiting for invoice	5/25/2021 for period ending 4/21/2021	Pending final change order approval
Completed Well?	Yes; early	Yes; early. Photos of ribbon cutting maintained on County's website.	Yes	Pending completion of Punch List Items

FIGURE 1-11: *Review of project documentation .*
Source: Project files provided by County.

> **RECOMMENDATION 1.6 –Ensure that change orders are approved by the BOCC prior to incurring additional costs and extending the project timeline for Punch List items and the Final Completion Letter is submitted in accordance with County policy.**

> **SUBTASK 1.7 – Determine whether the County has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.**

OVERALL CONCLUSION

The MJ Team did not divide Subtask 1.7 into separate program areas because the County's procurement policies and procedures are universal and apply to all County departments.

To address the requirements of this subtask, the MJ Team interviewed the County's director of Procurement. We also reviewed the County's written procurement policies, its procurement procedures, and a list of cooperative contracts. The MJ Team's review of these documents revealed that the County has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements. Therefore, this subtask is met.

ANALYSIS

Procurement Policies and Procedures

The BOCC adopted the procurement policy effective October 1, 2017. It establishes procurement policies and procedures that are consistent with the laws of the State of Florida for the efficient, effective, and transparent procurement of goods, services, and construction. In addition, the County's Procurement Procedures Manual, revised November 2021, provides centralized procurement support to County departments and other designated County agencies and offices that elect to use the services of Procurement Services, which is the County department responsible for the procurement of commodities and services in a timely and cost-effective manner and in accordance with BOCC procurement policy.

PROCUREMENT POLICY-EFFECTIVE OCTOBER 2017

The following are key provisions in the procurement policy that promote competitive procurement, volume discounts, and special pricing agreements that accrue to the County's benefit.

Purpose

- To provide increased economy in County procurement activities and to maximize to the fullest extent practicable the purchasing value of public funds of the County.
- To foster effective broad-based competition within the free enterprise system and maintain an open and competitive environment.
- To obtain in a cost-effective and responsive manner the goods, services, and construction required by County agencies in order for those agencies to better serve this County's residents and businesses.

Methods of Source Selection

- Competitive Sealed Bidding
- Competitive Sealed Proposals
- Small Purchases
- Sole Source Procurements
- Emergency Procurements
- Special Procurements
- Noncompetitive Procurements
- Other Forms of Procurement
- Purchasing Card Program
- Architectural, Engineering, and Other Professional Services

Provisions

- The Director of Procurement may request, or cause to be requested, factual information reasonably available to the bidder or offeror to substantiate that the price or cost offered, or some portion of it, is reasonable…
- The Director of Procurement may promulgate regulations permitting or requiring the inclusion of clauses providing for adjustments in prices, time of performance, or other contract provisions as appropriate…
- The Director of Procurement is authorized to accept and approve voluntary price adjustments that reduce the price (cost) of a previously approved procurement provided there is no material change to the specifications, scope of work, or conditions of the subject procurement.
- Unless prohibited by law, and when in the County's best interest, the Director of Procurement, on behalf of the County, may either participate in, sponsor, conduct, or administer a Cooperative Purchasing Agreement for the procurement of any supplies, services, or construction with one or more Public Procurement Units.

PROCUREMENT PROCEDURES-REVISED NOVEMBER 2021

The following are key provisions of the purchasing policy that promote competitive procurement, volume discounts, and special pricing agreements that accrue to the County's benefit.

Purpose

- To provide for the procurement of commodities and services in a timely and cost-effective manner and in accordance with the Board of County.
- Develop procurement objectives, policies, programs, and procedures for the procurement of all commodities and services except non-procurement and exempt activities.

- Consolidate purchases of like or common commodities or services and enter into term contracts to obtain maximum economic benefits and cost savings.

- Explore the possibilities of buying in sufficient quantities to take full advantage of quantity discounts.

- Determine the priority of procuring commodities and services that is in the best interest of the County.

- Promote good will between Hillsborough County and its bidders. Encourage full and open competition wherever possible. Assure fair and equitable business dealings with all bidders.

- Buy at the lowest cost consistent with the quality needed to meet its requirements.

RESEARCH TASK 2

FINDING SUMMARY

THE STRUCTURE OR DESIGN OF THE PROGRAM TO ACCOMPLISH ITS GOALS AND OBJECTIVES.

Overall, Hillsborough County meets Research Task 2.

Public Works (PW) was reorganized in 2018 to streamline the organization and improve service delivery. The MJ Team found that the County maintains an organizational structure that has clearly defined units, minimizes overlapping functions, and has no excessive administrative layers. PW provided examples of how it effectively uses workload data to assign staff. The current vacancy rate is approximately 10%, which is an improvement over last year's rate which had been about 18% of total staff and approximately 28% for first year employees. The County recently approved a cost-of-living increase of 3% for employees, as of July 20, 2022. The Human Resources Department is conducting further compensation and labor market studies to provide recommendations for additional compensation adjustments, if needed. Some County employees are covered by a collective bargaining (union) agreement. Along with compensation adjustments the Human Resources Department is working with the American Federation of State County and Municipal Employees (AFSCME) for additional retention strategies for this category of employees.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 2.1 – Review program organizational structure to ensure the program has clearly defined units, minimizes overlapping functions and excessive administrative layers, and has lines of authority that minimize administrative costs.

OVERALL CONCLUSION

Overall, Hillsborough County meets Subtask 2.1. To reach this conclusion, The MJ Team assessed Public Works' (PW) organizational structure and found that it has clearly defined units, minimizes overlapping functions and has no excessive administrative layers that increase administrative costs. We also evaluated the span of control (number of direct reports) for key PW staff who will play a key role in overseeing the surtax funds. We found that the ratio of directors and managers to direct reports for all key positions was reasonable based on human resource best practice guidelines.

ANALYSIS

To address the requirements of this subtask, the MJ Team conducted group interviews with the following positions:

- Public Works / Assistant County Administrator
- Director of Engineering & Operations
- Director of Capital Programs
- Director of Management and Budget
- Director of Human Resources

Organizational Structure

Figure 2-1 depicts the Hillsborough County Public Works organizational structure.

Hillsborough County, Florida
Public Works
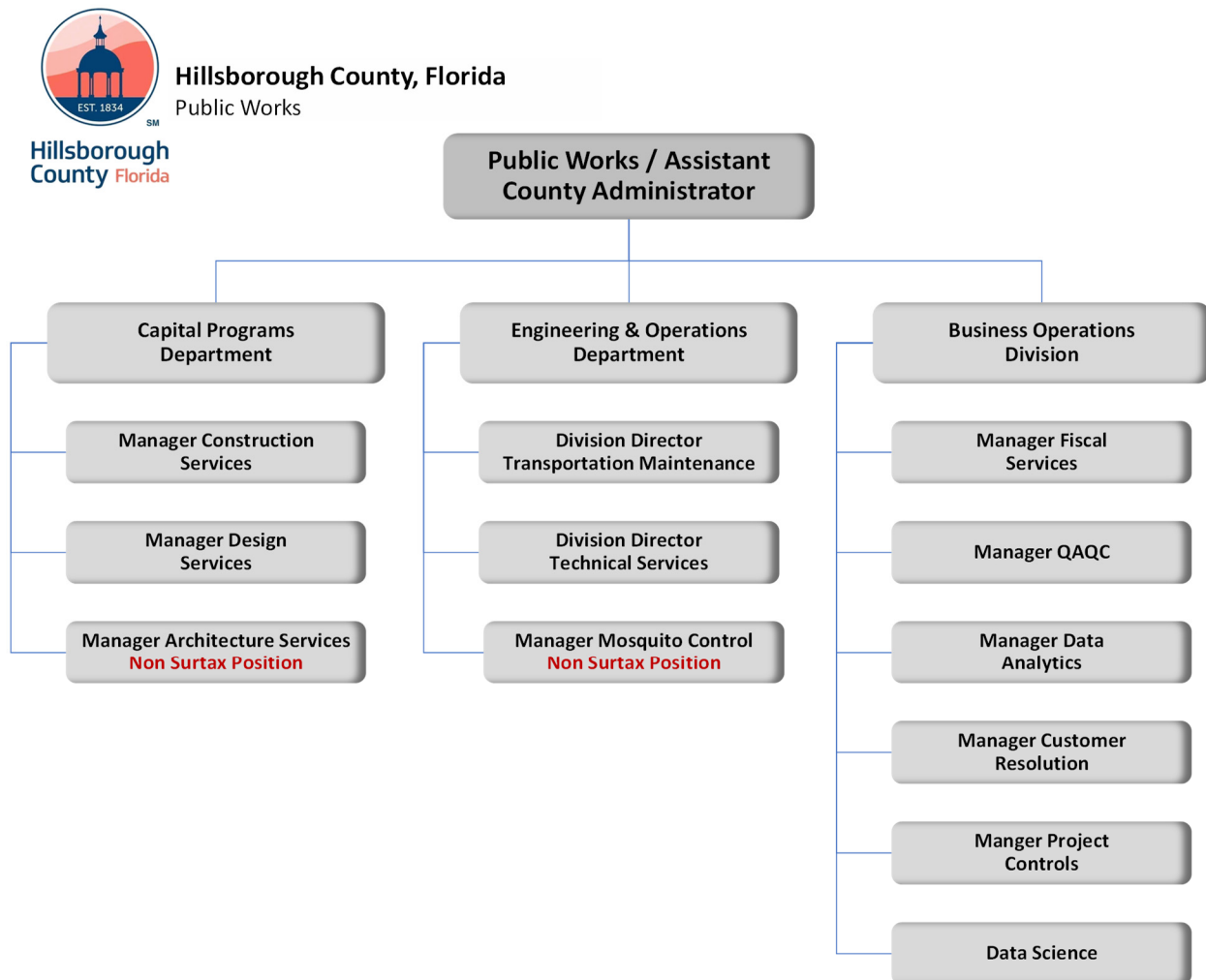
FIGURE 2-1: *Public Works Organization Chart.*
Source: Hillsborough County Public Works.

Managerial Span of Control

The MJ Team also used the Society of Human Resource Management (SHRM) span of control indicators as an assessment resource. SHRM is the world's largest human resource professional society devoted to human resource management and has more than 300,000 members.

We compared the recommended span of control ratio for directors and managers and lower-level manager and supervisory levels using SHRM guidelines. The recommended span of control ratio for higher-level directors and managers is between 1:2 and 1:9 or slightly higher. Several factors influence span of control guidelines, as described below:

- **Organizational size.** Large departments tend have a narrow span of control, whereas smaller departments often have a wider span of control. This difference is usually due to the costs involved with more managers and the financial resources available to an organization.

- **Workforce skill level.** The complexity or simplicity of the tasks performed by the employees will affect the number of desirable direct reports. Generally, routine tasks involving repetition will require less supervisory control of a manager, allowing a wider span of control, whereas complex tasks or dynamic workplace conditions may be best suited for a narrower span of control, where managers can provide more individualized attention.

- **Director's and Manager's responsibilities.** Departments and organizational units' expectations allow managers to be effective with the number of direct reports they have, especially related to individual responsibilities, departmental planning, and training. For example, executives often have fewer direct reports than other managers in the organization.

Key Personnel Primary Job Functions

PW was created in 2018 to improve service delivery and focus on key initiatives important to the community. The Public Works /Assistant County Administrator was assigned to work with the department to focus on project delivery, resolution of customer issues and day-to-day financial and administrative management PW is comprised of two departments and one division, which consist of the following:

Capital Programs

Provides planning, design, and construction of capital improvement program projects for transportation, stormwater, and facilities (parks, libraries, fire stations), including the following:

- Provides planning, design, and construction of capital improvement program projects for transportation, stormwater, and facilities (parks, libraries, fire stations).
- Inspections of developer construction including:
  - Subdivision infrastructure and land alteration
  - Private and public utilities in County Right-of-Way

- Public contributed assets in County Right-of-Way
- Commercial property improvements (non-building construction assets)

Engineering & Operations

Provides maintenance, management and engineering for transportation and stormwater infrastructure, including:

- Traffic management (manages and operates an Intelligent Transportation System for efficient travel and improved safety for everyone using the roads and sidewalks.
- Traffic signs, traffic signals, and roadway lighting
- Traffic Signal Vehicle Presence Detection
- Closed-Circuit Television (CCTV) cameras
- Roadway maintenance (pothole patching, tree trimming, ditch maintenance)
- Pavement, bridge, and sidewalk programs
- Stormwater flooding investigations
- Floodplain Management
- Mosquito management* (will not be part of the surtax funds)

Business Operations

Provides fiscal oversight for bi-annual operating budget preparation, monitoring, and reporting in compliance with GAAP/GASB and state, federal and local guidelines. Additional responsibilities include the following:

- Fiscal Team is responsible for bi-annual operating budget preparation, monitoring, and reporting in compliance with GAAP/GASB and state, federal and local guidelines
- Customer service support in resolving incoming PW concerns. Also responsible for creating streamlined messaging for PW department's high-profile projects and initiatives
- Project Controls Team responsible for capital budget preparation, monitoring and providing reporting of the County's CIP delivery process
- Contracts Management support in compliance with County Procurement Policies and Procedures
- Maintain and support PW's Unifier system and responsible for centralized data repository

In addition to PW, the Procurement Services Department will also be key to surtax administration. Procurement Services is organized into seven separate teams, five of which specifically address the procurement of goods, services, and construction. One of the procurement teams focuses on the procurement of construction and professional services regardless of the client department. The four remaining procurement teams address the procurement of goods and services (not involving construction or professional services) for assigned client departments. The two of the seven teams are focused on vendor management, performance measures and continuous improvement, and administrative support. Confining

the procurement of construction and professional services to one procurement team helps standardize and streamline the process by capitalizing on the specialization and collective experience of this team

Figure 2-2 provides the major work responsibilities for key Public Works staff and also shows that the majority of positions fall within the SHRM span of control guideline ratio of 1:2 and 1:9.

Position Title & County Tenure	Major Position Responsibilities Related to the Surtax Program Areas	Span of Control
Public Works/Assistant County Administrator	• Oversees Engineering and Operations, Capital Programs, Business Operations.	1:3
Director, Engineering & Operations Department *Tenure with County: 10 years* *Tenure in Current Role: 3 years*	• Directs and oversees all transportation engineering functions including asset management, project planning and project development. • Directs and oversees all transportation operations, maintenance and repair functions for roadways, bridges, sidewalks, traffic signals.	1:3
Director, Transportation Maintenance Division *Tenure with County: 21 years* *Tenure in Current Role: 11 years*	• Oversees and manages routine maintenance activities such as mowing, tree trimming, cleaning of conveyance systems. • Oversees operations, maintenance and repairs of traffic signals, signs, pavement markings, school zones. • Plans and manages maintenance and repair of roadway pavement, bridges, sidewalks, pipes.	1:10
Director, Technical Services Division *Tenure with County: 7 years* *Tenure in Current Role: 3.5 years*	• Manages the identification, prioritization, and initial development of capital projects. • Orchestrates the development of capital program work plans. • Manages engineering standards and technical reviews for capital projects. • Oversees condition assessment of infrastructure assets.	1:3
Director, Capital Programs *Tenure with County: 8 years* *Tenure in Current Role: 5 years*	• Oversees department wide responsibility for all department functions and services. • Communicates program performance, needs and challenges to administration. • Ensures all functions have necessary resources and training to ensure performance.	1:3
Construction Services Manager *Tenure with County: 8 years* *Tenure in Current Role: 8 years*	• Oversees team of in-house and consultant project managers for the construction phase of stormwater and transportation CIP projects. • Oversees all necessary tasks related to the construction phase of projects from Notice to Proceed to final contract completion and warranty inspections. • Manages construction phase project budgets and schedules including updates to budgets and schedules as needed.	1:3

Position Title & County Tenure	Major Position Responsibilities Related to the Surtax Program Areas	Span of Control
Design Services Manager *Tenure with County:* *3 years* *Tenure in Current Role:* *3 years*	• Oversees team of in-house and consultant project managers for the design phase of stormwater and transportation CIP projects. • Oversees all necessary tasks related to the design phase of projects including design, land acquisition, and project permitting and procurement/bid package development. • Manages design phase project budgets and schedules including updates to budgets and schedules as needed.	1:3

Business Operations Division Director
 	
Tenure with County:
7 years
Tenure in Current Role:
4 years
	• Directs over 49 professional, technical and external consultant staff to accomplish business operation services functions including the following:
	  - Activities related to monitoring and reporting of the Capital Improvement Program delivery processes.
	  - Performance measures & process improvements.
	  - Management of operating ($113M) & capital budget ($628M).
	  - Contract capacity, grants & diversity target reporting for transportation, stormwater and architectural services programs.
	  - Supports innovation & technology development efforts
	  - Oversees PW's customer service and business administration teams.
		1:6

Manager/Fiscal Services *Tenure with County:* *22 years* *Tenure in Current Role:* *2 years*	• Oversees operating budget oversight. • Oversees financial reporting. • Oversees prompt payment of invoices. • Oversees grants management.	1:4
Manager/QAQC *Tenure with County:* *2 years* *Tenure in Current Role:* *35 years*	• Manages work orders and requisitions related to operating and Capital Programs oversight. • Manages CAP (construction apprentice program) and diversity target reporting. • Manages contract management including change orders, modifications, and other related documents.	1:6
Manager/Data Analytics *Tenure with County:* *8 years* *Tenure in Current Role:* *3 years*	• Supports CPD Unifier innovation & technology development efforts.	1:1
Data Science *Tenure with County:* *7 years* *Tenure in Current Role:* *4 years*	• Drives the development and deployment of the Department's data and analytics platform for digital business and electronic government (Data Warehouse, CIP Viewer). • Institutes a programmatic approach for enterprise information management to identify, prioritizes and	1:1

Position Title & County Tenure	Major Position Responsibilities Related to the Surtax Program Areas	Span of Control
	executes the data and analytic initiatives with clear line of sight to enterprise strategies and business outcomes (Unifier, Power BI Reporting).	
Manager/Customer Resolution *Tenure with County:* *25 years* *Tenure in Current Role:* *3 years*	• Ensures coordination of public meetings, public notification, web content, annual reports, brochures/flyers, or any communication efforts. • Conducts virtual or in person community outreach & public engagements to provide information pertaining to existing and planned capital improvement projects and maintenance efforts. • Provides resolution to escalated issues or citizen concerns by coordinating responses and ensuring that they are addressed or responded to in a timely and professional manner.	1:3
Manager/Project Controls *Tenure with County:* *2 years* *Tenure in Current Role:* *2 years*	• Provides and prepares fiscal year program planning with Management and Budget Office. • Prepares Capital Budget allocation tracking and balancing. • Prepares encumbrance and spend projections for CIPs. • Prepares fiscal closeout of PO's and projects.	1:5
Director, Management and Budget *Tenure with County:* *23 years* *Tenure in Current Role:* *3 years*	• Prepares revenue estimation. • Prepares overall budget oversight including capital. • Prepares budget preparation and amendments. • Prepares financial policy review and implementation.	1:6
Managing Director, Management and Budget *Tenure with County:* *8.5 years* *Tenure in Current Role:* *2.8 years*	• Oversees budget activities of Capital and Operating Budget teams. • Ensures budget is compliant with accounting standards, FL Statutes, and other policies. • Prepares budget amendments involvement as needed.	1:3
Budget Manager – Capital Team *Tenure with County:* *21 years* *Tenure in Current Role:* *7 years*	• Completes the annual CIP process and produce related materials. • Maintains and provide support for the Projects and Grants Module of the Oracle ERP System. • Prepares budget amendments involvement as needed.	1:2

FIGURE 2-2: *Position titles and major roles and responsibilities for key individuals who will oversee the Surtax. Source: Hillsborough County Public Works.*

> **SUBTASK 2.2 – Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload.**

OVERALL CONCLUSION

Overall, Hillsborough County meets Subtask 2.2. To come to this conclusion, the MJ Team assessed current PW vacancy rates overall, which are at approximately 10%, which meets suggested human resources management professional organization guidelines, such as SHRM. Additionally, PW provided examples of monthly workload reports for Design Project Management, Construction Project Management, and Inspection, indicating that statistics are evaluated regularly to determine reasonableness of program workload.

ANALYSIS

To address the requirements or this subtask, the MJ Team conducted group interviews with the following positions:

- Public Works /Assistant County Administrator
- Director of Engineering & Operations
- Director of Capital Programs
- Director of Management and Budget
- Director of Human Resources

The MJ Team also reviewed the following data sources:

- Position Incumbent Report (Vacancies and Turnover Rates), Dated 06-01-22
- Project Manager Workload Report
- AFSCME October 1, 2017 - September 30, 2020
- Private Developer Inspections Report

Turnover and Vacancies

Figure 2-3 shows PW has a total headcount of 520 full-time equivalent (FTE) employees, which includes 407 FTEs in Engineering & Operations, 72 FTEs in Capital Programs, and 41 FTEs in Business Operations. The overall current vacancy rate for PW is 10.19%.

Public Works Administration Divisions	FTE Count	# of Vacancies	Vacancy Rate
Engineering & Operations	407	41	10.00%
Capital Programs	72	8	11.11%
Business Operations	41	4	9.75%
Total FTE/Vacancy Count and Vacancy %	**520**	**53**	**10.19%**

FIGURE 2-3: *PW FTE Count, Vacancies, and Vacancy Rates*
Source: Hillsborough County Public Works.

Vacancies and high turnover occurred in Engineering & Operations last year, which has over 300 employees in the Transportation Maintenance Division (TMD). Much of the field workforce in this division is comprised of entry-level positions such as Transportation workers that are part of the collective bargaining agreement between Hillsborough County and the American Federation of State, County, and Municipal Employees (AFSCME) union. These types of positions historically have high turnover rates, and as such TMD is constantly recruiting and training new hires.

PW's turnover rate for last year had been approximately 18% of total staff and approximately 28% for first year employees. To lower turnover and vacancy rates to the levels where they are this year, the County recently approved a 3% cost-of-living increase for all employees as of July 20, 2022.

The Human Resources Department is currently conducting compensation and labor market studies to provide recommendations for further compensation adjustments. Along with this initiative, Human Resources is working with the AFSCME union, which maintains the County collective bargaining agreement to identify additional recruitment and retention strategies to maintain turnover and vacancy rates at current levels or below.

Workload

PW provided examples of workload statistics for three areas as of June 2022, which included Design Project Management, Construction Project Management, and Inspection.

Figure 2-4 shows that 11 project managers oversaw a total of 189 Design projects valued at $341 million. **Figure 2-5** shows that 10 project managers oversaw a total of 241 Construction projects valued at 198 million.

Both Design and Construction utilize a monthly report that shows the current staff assignments for each project manager and evaluates the total number of assigned projects and budget amounts along with overall project complexity. As shown in **Figures 2-4** and **2-5** the number of projects assigned to both Design and Construction project managers varies widely. The monthly reports are used to try to balance the workload among the staff. Consultants are brought in by the section managers on an as needed basis to help balance the workload, as needed.

Project Manager	Sum of PD&E Budget	Sum of Design Budget	Sum of Land Budget	Count of Project ID
Staff 1	$666,003	$4,726,019	$6,267,807	14
Staff 2	$1,080,546	$7,137,317	$208,790	47
Staff 3	$174,583	$486,000	$590,150	1
Staff 4	$4,789,237	$7,720,744	$17,421,299	12
Staff 5	$485,337	$3,891,603	$1,243,143	37
Staff 6	$547,394	$4,798,816	$6,350,511	13
Staff 7	$637,675	$2,555,737	$1,750,085	9
Staff 8	$5,633,741	$14,523,650	$43,326,311	15
Staff 9	$1,432,609	$4,914,640	$3,529,843	4
Staff 10	$5,079,136	$16,478,385	$97,580,714	12
Staff 11	$6,605,624	$15,277,812	$53,047,297	25
GRAND TOTAL	$27,131,885	$82,510,723	$231,315,949	189

FIGURE 2-4: *Example of Design Project Management Workload Summary.*
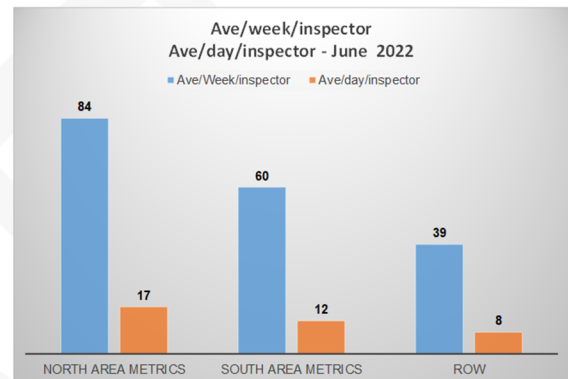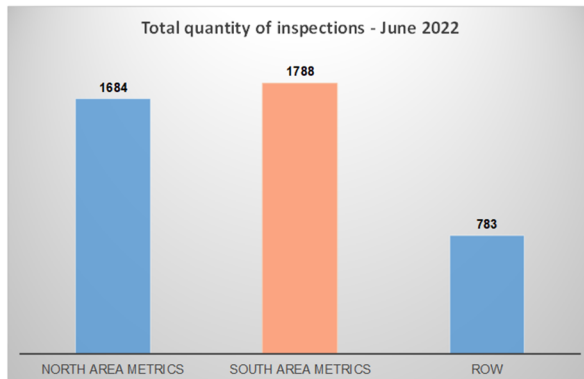*Source: Hillsborough County Public Works.*

Project Manager	Sum of Construction Budget	Count of Project ID
Staff 1	$3,741,273	3
Staff 2	$2,990,044	2
Staff 3	$232,137	1
Staff 4	$37,421,300	15
Staff 5	$30,508,004	102
Staff 6	$3,674,428	2
Staff 7	$19,084,069	70
Staff 8	$13,873,761	36
Staff 9	$6,804,924	5
Staff 10	$79,799,468	5
GRAND TOTAL	$198,129,409	241

FIGURE 2-5: *Example of Construction Project Management Workload Summary.*
Source: Hillsborough County Public Works.

Figure 2-6 presents an example of an Inspection workload summary prepared by PW.
Figure 2-6 provides the quantity of zoning inspections performed for North and South Area projects, the quantity of base inspections performed, the overall average number of inspections performed per week by inspector and the average number of inspections performed per day by inspector.

June 2022 Metrics (Dev. Insp. Team)												
Area	Qty of LAL (905)	Qty of Zooning Inpections (900)	Qty of As-built	Qty of Subbase inspections	Qty of base inspections	Qty of project visits/miscellaneus inspections	Qty of ROW inspections	Qty of SR	Total by Area	Ave/week/inspector	Ave/day/inspector	Cut Date
North Area Metrics	92	42	3	5	11	1528		3	1684	84	17	7/1/2022
South Area Metrics	561	41	10	7	9	1157		3	1788	60	12	7/1/2022
ROW						188	516	79	783	39	8	7/1/2022
Total by inspection type	653	83	13	12	20	2873	516	85	4255	61	12	

FIGURE 2-6: *Example of Inspection Team Workload Summary.*
Source: Hillsborough County Public Works.

RESEARCH TASK 3

FINDING SUMMARY

ALTERNATIVE METHODS OF PROVIDING SERVICES OR PRODUCTS.

Overall, Hillsborough County meets Research Task 3.

Hillsborough County (the County) demonstrated that program administrators, through PW's Decision Unit, formally evaluate existing in-house services and assess alternative contracting methods to ensure costs are reasonable. PW demonstrated that it is less costly in certain cases to utilize in-house inspection staff in lieu of contracted inspection staff. PW made changes to service delivery methods, when evaluations found that changes would reduce program cost without significantly affecting the quality of services.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 3.1 – Determine whether program administrators have formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing services, such as outside contracting and privatization, and determine the reasonableness of their conclusions.

OVERALL CONCLUSION

Overall, Hillsborough County (the County) met expectations for subtask 3.1. To reach this conclusion, the MJ Team interviewed program administrators and assessed relevant data of the County that will administer and/or benefit from the sales surtax. The MJ Team evaluated traffic safety inspections and right of way inspection services to determine whether or not this subtask was met.

ANALYSIS

Traffic Safety Investigations

The MJ Team reviewed Decision Unit forms (DU) which are used to justify County expenditures.

The County's Decision Unit process conducted during the budget cycle provides departments with an opportunity to request additional funding for new or expanded services. The DU form includes information from the department comparing the expected performance, outcomes, and measures to those currently funded. It also includes the department's analysis and proposal of in-house and contracted methods for providing the service.

Each County department submits their requested DUs as part of their budget submittal, and these are reviewed by the Management & Budget Department as well as the County's executive team to determine which services to include in the recommended budget. The DU request reviewed was in response to an increased workload of customer service for traffic

safety investigations, and the goal was to reduce the backlog of cases and increase the performance of completing the annual caseload. Program administrators evaluated in-house services and determined that to meet the demand for traffic investigations, a number of new staff members would need to be added.

Rather than significantly increasing the traffic investigator staffing levels to accommodate this, the DU proposed a balance that included just one full- time equivalent (FTE) combined with contracted consultant support for the traffic investigations and a second FTE for project development.

The addition of $550,000 of operating budget covered the cost of 2 FTE engineers ($166,000 salary and $28,000 capital expense) to improve public traffic safety. The forms summarize the benefits of authorizing the additional requested budget in the following ways:

- Measures and outcomes include completion of 90% of safety investigation and safety project work orders within 180 days in response to 900-1,200 annual caseload and completion of 500 case backlog;

- Manages 3-7 miles of corridor and 10-20 intersection low-cost safety retrofit projects per year;

- Develops 12-16 school safe walking route projects per year; and

- Publishes quarterly and annual County road crash analysis and safety performance reports.

The result was reducing County costs by placing the heavy staffing required to perform the investigations on the consultants. and paying less for these services. This reduced the County's long-term commitment to staffing, while leveraging consultant services to meet the increased demands.

Right of Way Inspection Services

The County evaluated performance and costs to determine whether it was more cost effective to utilize in-house staff rather than use contracted services for right of way inspection services. Contracted inspection services utilized for the past three years have been used to observe, inspect, and approve contracted right of way maintenance activities including roadway mowing, tree trimming, ditch maintenance, drainage pipe repair, fence, guardrail, handrail, street signs, signals, and pavement markings. The County PW completed DU forms requesting additional budget to cover the cost of additional inspection staff as shown in **Figure 3-1**

The County was typically spending over $600,000 annually on contracted inspectors. **Figure 3-1** shows in house staffing labor costs resulting in savings compared to contracted services. FY 22 staffing costs are skewed because staff will also be used to conduct stormwater inspections required by the Southwest Florida Water Management District that will be covered under a separate budget. This example demonstrates that in house services and contracted services

have been evaluated to determine the most cost-effective solution, in this case using in house services was more cost effective.

Figure 3-1 below, presents the costs for contracted inspection services for Fiscal Years 2019-2022 related to right of way inspection services.

Fiscal Year	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
PO#	219202299	220201797	220201797	ANTICIPATED
Inspectors	4	4-5	4-5	7
Total	$415,313,08	$448,879,32	$476,082.17	$728,000.00

FIGURE 3-1: *Costs associated with contracted inspection services, Fiscal Years 2019-2021, Fiscal Year 2022, anticipated cost.*
Source: Hillsborough County, Engineering and Operations Department.

> **SUBTASK 3.2 – Determine whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and determine the reasonableness of their conclusions.**

OVERALL CONCLUSION

Overall, the County met expectations for subtask 3.2. To reach this conclusion, the MJ Team interviewed program administrators and assessed relevant data of the County that will administer and/or benefit from the sales surtax.

ANALYSIS

Data reviewed included reports related to capital programs, engineering, and operations to document the budgets of in-house versus contracted services for various PW projects.

A form entitled "Inspectors Decision Unit FY23" was used by PW to demonstrate that it is less costly to utilize in-house maintenance inspection staff in lieu of contracted inspection staff for right of way maintenance activities. Data reviewed indicated that approximately $602,000 was used in 2021 and 2022 on County inspections using contracted services ranging from roads and transportation to stormwater, right of way maintenance and related areas. The form provides justification for PW to hire additional inspectors in-house in lieu of using contracted services for a total cost of approximately $448,000 per year resulting in a net savings of $154,000 annually. In this example, the County reevaluated their decision to utilize in house services in lieu of contracted inspectors.

This is another Decision Unit example that highlights the formal process that occurs as part of the County's budget cycle, whereby services are evaluated for feasibility of alternative methods of delivery. This particular DU has not yet been submitted (it is prepared for the two-year cycle next year), but it illustrates how the DU form includes an analysis of the actual costs over the

last several years of contracting inspection services for maintenance activities, compared with projected costs of in-house inspection staff.

The County's procurement manual, specifically Chapter 3 – Section 3.4, outlines the process for evaluating submittals for services, including but not limited to assessment of reasonableness of cost, feasibility of service delivery method, alternatives, etc. County policy guidelines for assessment of bidder/vendor performance is described in Chapter 6.7 of the County's Procurement Manual. Procedures have been developed for vendor/bidder performance measures that include contract compliance, fair market price competitiveness, bidder/vendor performance deficiencies and breach of contract.

> **SUBTASK 3.3 – Determine whether program administrators have made changes to service delivery methods when their evaluations/assessments found that such changes would reduce program cost without significantly affecting the quality of services.**

OVERALL CONCLUSION

Overall, the County met expectations for subtask 3.3. To reach this conclusion, the MJ Team interviewed program administrators and assessed relevant data of the County that will administer and/or benefit from the sales surtax.

ANALYSIS

Beginning in 2018, Public Works (PW) funded an additional $2 million in operating costs, which was increased by $2 million annually up to $8 million for Fiscal Year 2021, to provide support for right of way maintenance performed by both in-house and contractual services. One of the maintenance services identified for improvement was performance mowing of the right of way that provides for urban area mowing similar to residential mowing. The increase in the level of service and improved aesthetics requires small equipment such as small mowers, gas powered trimmers, edgers and blowers. This equipment requires a high ratio of labor and equipment to area maintained to operate, as well as intensive and frequent small gas engine maintenance. Several factors, including the numbers of contractors that mow residentially, the ability for Minority Business Enterprises (MBE)/Small Business Enterprise (SBE) firms to successfully bid on the contracts, and the significant Increase in full time labor and equipment necessary for performance urban mowing contracts were considered when the decision to outsource was selected.

PW maintains a network of over 7,300 traffic lane-miles of paved roadways. The pavement condition is assessed annually on a three-year cycle through a visual inspection following ASTM D6433-18. The condition inventory is critical in supporting budget and project planning. Field inspection teams typically consist of a two-person team and condition data are electronically recorded via hand-held devices, and then uploaded to data analysis software. Over the past decade the inspection services were conducted in-house with County forces, however,

performance of the program struggled, producing inconsistent and incomplete results. This was due to significant turnover in the inspector positions; after being trained, individuals would often leave for higher paying positions. Over the past two years, the service was performed using consulting services and has resulted in improved quality, consistency, and completeness of the pavement condition inventory as well as preparation of budgets and project prioritization.

Another example of changes to the project delivery method resulting in savings involves a section of New Bedford Drive south of Opal Lane to South Pebble Beach Boulevard (South Section). A localized pavement repair project for this section was planned and included on the BOCC approved ARP (American Rescue Plan) funds list of transportation projects.

Initially, management selected the approved section to be completed by a private contractor due to its scope, complexity, temporary traffic control requirements, equipment availability, and prioritization rather than using internal construction forces. A proposal was provided by the contractor to complete the South Section for $105,766. Subsequently, there was public inquiry requesting an additional section of New Bedford Drive from Opal Lane north to Flamingo Lane (Middle Section) to be resurfaced. A cost and re-priority analysis between in-house construction forces versus private contractor for the resurfacing project was performed to determine if the additional section could be added to the scope within the approved budget of $160,000.

The analysis concluded that if performed by the Contractor, it would cost approximately $272,000 for both sections and take 4 weeks for the contractor to mobilize. The Contractor's estimate was $112,000 more than the approved ARP funding of $160,000. The County internal construction forces were able to reprioritize its project workload and reduce its costs in equipment rentals and labor to provide the same service close to the original ARP budget of $160,000 and begin immediately.

The County evaluates on a case-by-case basis cost saving alternatives that may or may not involve contracted services. In **Figures 3-2** and **3-3** (BOCC agenda item and Purchase Order), the County determined that it was less costly to utilize contracted landscape services for stormwater areas within the County right of ways. The depth and breadth of services required resulted in one bidder responding whose bid was approximately 27 percent lower than the estimated cost.

Hillsborough County Florida

Agenda Item Cover Sheet

Agenda Item Nº A-40

Meeting Date 3/3/2021

☒ Consent Section   ☐ Regular Section   ☐ Public Hearing

Subject:	Award and execute a three (3) year agreement for ongoing and as needed full-service landscape maintenance (20036) at right-of-way and stormwater locations throughout the county for the Engineering and Operations Department at a total cost of $6,583,377.34.

Department Name: Procurement Services

Contact Person: Scott Stromer   Contact Phone: 301-7095

Sign-Off Approvals:

Tom Fesler	2/19/2021	Scott Stromer	2/18/2021
Assistant County Administrator	Date	Department Director	Date
Kevin Brickey	2/18/2021	Sacha Brown-Taylor	2/18/2021
Management and Budget – Approved as to Financial Impact Accuracy	Date	County Attorney – Approved as to Legal Sufficiency	Date
N/A	N/A		
Deputy or Chief County Administrator	Date		

Staff's Recommended Board Motion:

Award and execute a three (3) year agreement to the only bidder, NDL LLC, for ongoing and as-needed full-service landscape maintenance (20036) at right-of-way and stormwater locations throughout the County for the Engineering and Operations Department at a total cost of $6,583,377.34. The award amount includes an allowance of $30,000.00 for additional work within the general scope, parts, and/or materials that may be required during the term of the contract but cannot be reasonably defined at this time due to the nature of the work. A Disadvantaged Minority/Disadvantaged Women Business Enterprise (DM/DWBE) Program Participation Goal of 7% was established for this project and the recommended vendor has committed to achieving a significantly higher goal of 21.6%. Funding is available in the Transportation Trust Operating Fund and Unincorporated Area Stormwater Management Operating Fund of Engineering and Operations adopted budgets, and purchase orders will only be issued against approved budgets.

Financial Impact Statement:

Funding is available in the Transportation Trust Operating Fund and Unincorporated Area Stormwater Management Operating Fund of Engineering and Operations adopted budgets, and purchase orders will only be issued against approved budgets.

Background:

The recommended award amount is approximately 26.9% ($2,416,622.66) lower than the requesting department's estimate. Competition was openly and transparently encouraged through the solicitation of competitive sealed bids for this procurement, and the requesting department determined the sole bid to be fair, reasonable, and consistent with previous purchases of similar services. The scope of work in this case requires the awarded vendor to maintain all facets of the assigned areas, which involves litter removal, turf mowing, edging, weed control, pest control, street sweeping, sidewalk cleaning, tree and shrub maintenance, mulching, repair of damaged areas, maintenance of traffic, horizontal and vertical clearance, maintenance of overall plant health, and related work. The limited competition appears to be due to the breadth of services required, the large scale, and inability of many firms to secure the necessary bonding, which is required to protect the County and ensure performance. While general landscape maintenance is common, providing full-service landscape maintenance in the right-of-way

FIGURE 3-2: *Agenda Item Cover Sheet, Right-of-Way and Ponds Landscaping Bulk Purchase Agreement BPA. Source: Hillsborough County, Engineering and Operations Department.*

Blanket Purchase Agreement 221208641, 2

Hillsborough County
Board of County Commissioners
601 E Kennedy Blvd
Tampa, FL 33601
United States

Type	Blanket Purchase Agreement
Order	221208641
Revision	2
Order Date	01-APR-2021
Created By	Kriz, Mark
Revision Date	13-JAN-2022
Current Buyer	Kriz, Mark

Supplier: NDL LLC
P O BOX 1678
LUTZ, FL 33548
United States

Ship To: Multiple
Tampa, FL 33601
United States

Bill To: PO BOX 1110
Tampa, FL 33601-1110
United States

Customer Account No.	Supplier No.	Payment Terms	Freight Terms	FOB	Transportation	Ship Via
	1017517	NET 30 DAYS	Freight Included	FOB - Destination		Best Way

Effective Start Date	Effective End Date	Amount Agreed (USD)
30-APR-2021	30-APR-2024	6,583,377.34

Supplier Contact	Requester
BLASE, DIANE (813) 477-0490	

Notes: In accordance with ITB 20036, Rights of Way and Ponds and Landscaping Maintenance Services

Awarded by the BOCC on March 3, 2021
BOCC Doc. No. 21-0249

Department: Engineering and Operations
Department Contact: Allen Howell, 813-307-1828
HowellA@hillsboroughcounty.org
Summary of Changes
In accordance with the Contract Documents, Paragraph 2.7, Price Escalation/De-Escalation (CPI), and Contractor's email request dated January 7, 2022, expiring blanket purchase agreement (BPA) lines 1-8 effective on April 30, 2022 and BPA lines 9-16 are replacing expiring lines with new prices with a CPI increase of 6% effective on April 30, 2022.
All prices and amounts on this order are expressed in USD

Line	Part Number / Description	Effective Date	Expires On	Quantity	UOM	Unit Price (USD)	Amount (USD)
1	Litter Removal Charge Account:Multiple		30-APR-2022		Mile (s)	101.74	
2	Property Maintenance incl. mowing, sidewalk/curb		30-APR-2022		Acre (s)	45.69	

See Below for Purchase Order Terms & Conditions

Page 1 of 9

FIGURE 3-3: *Purchase Agreement, Rights-of-Way and Ponds Landscaping Maintenance Services BPA. Source: Hillsborough County, Engineering and Operations Department.*

Figures 3-4 and **3-5** demonstrate that the County awarded a contract for roadside ditch and canal cleaning and grading to a contractor's bid that was approximately 12 percent lower than estimated resulting in approximately $1.7 million in savings.

	Complex CPA 221201158, 0
CONFIRMATION - DO NOT DUPLICATE	

Hillsborough County
Board of County Commissioners
601 E Kennedy Blvd
Tampa, FL 33601
United States

Type	Complex CPA
Order	221201158
Revision	0
Order Date	12-OCT-2020
Created By	Tucker, Sybil
Revision Date	
Current Buyer	

Supplier: AJAX PAVING INDUSTRIES OF FLORIDA LLC
510 GENE GREEN RD
NOKOMIS, FL 34275
United States

Ship To: Multiple
Tampa, FL 33601
United States

Bill To: PO BOX 1110
Tampa, FL 33601-1110
United States

Customer Account No.	Supplier No.	Payment Terms	Freight Terms	FOB	Transportation	Ship Via
	1000728	NET 30 DAYS	Freight Included	FOB - Destination		Best Way

Effective Start Date	Effective End Date	Amount Agreed (USD)
12-OCT-2020	31-OCT-2023	13,415,178.20

Supplier Contact	Requester
1Coggins, Kara (941) 486-3600	

Notes: All prices and amounts on this order are expressed in USD

In accordance with Invitation to Bid 19970, Construction Services of Roadside Ditch, Canal Cleaning, and Grading Projects

Awarded by the BOCC on September 2, 2020,
BOCC Doc. No. 20-0929

Department: Engineering & Operations
Department Contact: David Merritt, 813-272-5627, email: merrittd@HCFLGov.net

Payments in accordance with the Contract Documents, General Terms and Conditions, Section 5.12

This Contract Purchase Agreement is issued based upon a dollar amount and any work or deliveries must not exceed that amount. Invoices must be submitted only for actual work performed and orders delivered and must be consistent with the agreed upon prices, terms, and specifications.

See Below for Purchase Order Terms & Conditions   Page 1 of 7

FIGURE 3-4: *Purchase Agreement, construction services of roadside ditch, canal cleaning, and grading projects. Source: Hillsborough County, Engineering and Operations Department.*

Hillsborough County Florida

Agenda Item Cover Sheet

Agenda Item N°. B-9

Meeting Date 9/2/2020

☐ Consent Section   ☒ Regular Section   ☐ Public Hearing

Subject:	Award and execute a three (3) year agreement for ongoing and as needed roadside ditch cleaning and grading services in open conveyances throughout the County (19970) for the Engineering and Operations Department at a total cost of $13,415,178.20.

Department Name: Procurement Services

Contact Person: Scott Stromer   Contact Phone: 301-7095

Sign-Off Approvals:

Tom Fesler	8/21/2020	Scott Stromer	8/21/2020
Assistant County Administrator	Date	Department Director	Date
Kevin Brickey	8/21/2020	Rosemary Perfit	8/21/2020
Management and Budget – Approved as to Financial Impact Accuracy	Date	County Attorney – Approved as to Legal Sufficiency	Date
N/A	N/A		
Deputy County Administrator	Date		

Staff's Recommended Board Motion:
Award and execute a three (3) year agreement with the overall lowest, responsive, and responsible bidder, Ajax Paving Industries of Florida LLC, for ongoing and as-needed roadside ditch cleaning and grading services in open conveyances throughout the County (19970) for the Engineering and Operations Department at a total cost of $13,415,178.20. The award amount includes an allowance of $200,000.00 for non-priced items (NPI) that were not included in the original contract. Some items may be required to complete work under this contract but, due to the nature of the work, cannot be reasonably defined in advance. NPI will be identified by the contractor in proposals at the time work orders are prepared. Once an NPI is approved in a work order, the item may be incorporated into the contract and used as a unit price item for future work orders. The Engineering and Operations Department maintains hundreds of miles of ditches and open stormwater conveyances, as well as over 3,200 centerline miles of roadways throughout the county. As such, there is a backlog of hundreds of ditch and roadway shoulder cleaning and/or repair workorders. The requested services are expected to eliminate the backlog of projects and help establish a routine cycle for maintaining the County's open conveyances moving forward. In addition to roadside ditch cleaning and grading, the subject services may also include, rework of roadway shoulders, slopes, repairs, and other work related to maintaining the open conveyances. Bids were received from two (2) different vendors. A Disadvantaged Minority/Disadvantaged Women Business Enterprise (DW/DWBE) Participation Goal of 5% was established for this project and the recommended vendor has committed to achieving this goal. Funding for this procurement is available in the requesting department's budget, and purchase orders will only be issued against approved budgets.

Financial Impact Statement:
Funding for this procurement is available in the requesting department's budget, and purchase orders will only be issued against approved budgets.

Background:
The recommended award amount is approximately 11.74% ($1,784,821.80) lower than the requesting department's estimate. Competition and transparency were achieved using competitive sealed bidding for this procurement, and the resulting pricing is deemed fair and reasonable. At the sole option of the

FIGURE 3-5: *Agenda Item Cover Sheet, Ajax Paving Industries of Florida Contract.*
Source: Hillsborough County, Engineering and Operations Department.

Figure 3-6 is an excerpt of the scope of services for the County utilizing contracted professional services to prepare Pavement Condition Assessments in lieu of using in-house staff. The assessments are critical in preparing the County's roadway paving and maintenance budgets and require more County staff than is currently available. Utilizing contracted services allows the County to meet critical deadlines and keep staffing levels lower.
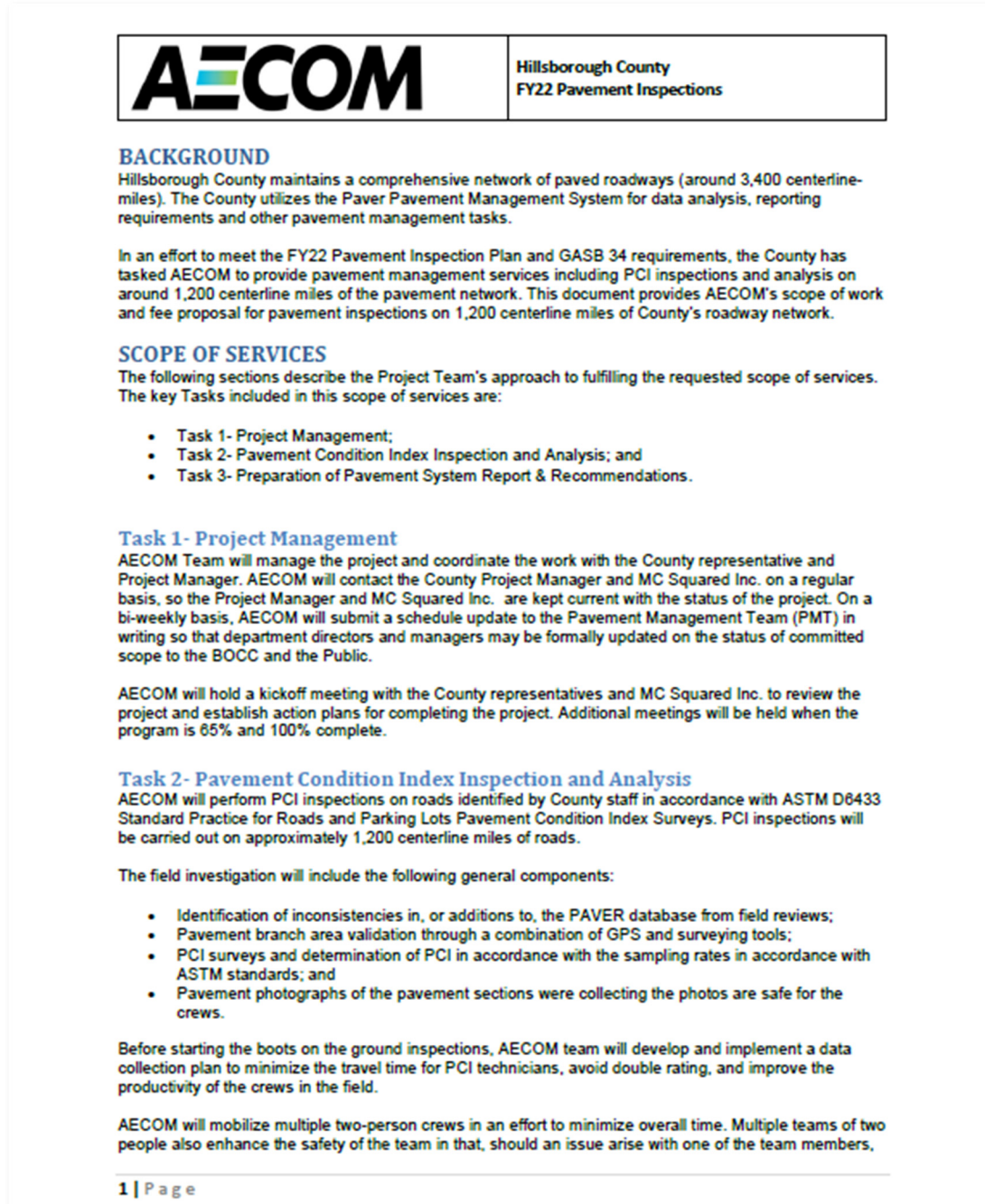
FIGURE 3-6: *Pavement Condition Inspection PCI SOW.*
Source: Hillsborough County, Engineering and Operations Department.

Figure 3-7 describes the additional cost saving measures the County implemented by providing in-house roadway paving for a section of New Bedford Road at a cost of approximately $160,000 versus utilizing a contractor to perform the work at a cost of approximately $272,000.

New Bedford Dr Resurfacing Project Summary
In-House (Countywide Construction) vs. Private Contracting Analysis

A section of New Bedford Dr south of Opal Ln to S Pebble Beach Blvd (South Section) is a localized pavement repair project included on the BOCC approved ARP (American Rescue Plan) funds list of transportation projects. The ARP projects located in Sun City Center were previously reviewed and coordinated with the Sun City Center President and Board members prior to the BOCC approval of the list of projects.

Initially, management selected the approved section to be completed by a private Contractor due to its scope, complexity, temporary traffic control requirements, equipment availability, and prioritization rather than using internal construction forces. A proposal was provided by the contractor to complete the South Section for approximately $105,766. Subsequently, there was public inquiry requesting an additional section of New Bedford Dr from Opal Ln north to Flamingo Ln (Middle Section) to be resurfaced. A cost and re-priority analysis between in-house construction forces vs. private contractor for the resurfacing project was performed to determine if the additional section could be added to the scope within the approved budget of $160K.

The analysis concluded that if performed by the Contractor, it would cost approximately $272K for both sections and take 4 weeks for the contractor to mobilize. The Contractor's estimate was $112K more than the approved ARP funding of $160K. Our internal construction forces were able to reprioritize its project workload and reduce its costs in equipment rentals and labor to provide the same service close to the original ARP budget of $160K and begin immediately.

FIGURE 3-7: *New Bedford Drive Resurfacing Project In-House vs. Contractor Analysis Narrative.*
Source: Hillsborough County, Engineering and Operations Department.

> **SUBTASK 3.4 – Identify possible opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities (e.g., other counties, etc.).**

OVERALL CONCLUSION

Overall, the County met expectations for subtask 3.4. To reach this conclusion, the MJ Team interviewed program administrators and assessed relevant data of the County that will administer and/or benefit from the surtax.

ANALYSIS

Hillsborough County monitors 140 remote water level stations and rainfall stations and 40 stormwater pump stations located throughout the County to monitor flooding potential. Historically, these locations have required County staff to travel to each site and manually collect recorded data. The County is comprised of 1,266 square miles so the staff and vehicles required to collect this data daily is substantial. Public Works executive staff identified an alternative delivery method using radio telemetry to automatically collect and transmit data several times a day without needing the staff and vehicles previously used. This project was advertised in May 2022 (Invitation to Bid is shown in **Figure 3-8**) and has not yet been awarded, so cost information is not available. Intuitively, the initial capital cost of telemetry system installation will be minimized considering the staff time and vehicle costs expended daily. A major benefit of the telemetry system is the frequency that telemetry data will be collected in lieu of only once per day to improve early detection of flooding.

The County Public Works receives a biennial Florida Stormwater Association (FSA) Stormwater Utility Report. The FSA surveys most jurisdictions that have a Stormwater Program within Florida, so that it can produce a report that highlights best management practices and provides information regarding the administration of Stormwater Programs throughout the state. The report is used to help management compare program statistics to other municipalities that include rate structures, revenues, number of full-time employees (FTE), and other practices to ensure a successful program. The report highlights how Hillsborough County effectively administers its Stormwater Program with only six FTEs considering its size and revenues compared to other municipalities.

Invitation to Bid 23108

Invitation to Bid 23108

Title Stormwater Remote Water Level Rainfall and Pump Station Monitoring Services
Close Date 06-MAY-2022 14:00:00   Open Date Immediately
Time Zone Eastern Time

Note Not Specified

Please submit your response to:

Company	HILLSBOROUGH COUNTY BOARD OF COUNTY COMMISSIONERS
Buyer	Supeau, Thomas
Location	BOCCOU
	601 E Kennedy Blvd
	Tampa, FL
	United States
Phone	813-301-7072
Fax	
Email	SupeauT@hillsboroughcounty.org

When submitting your response, please include the following information.

Your Company Name	
Address	
Contact Details	

FIGURE 3-8: *Stormwater Remote Water Level Rainfall and Pump Station Monitoring Services.*
Source: Hillsborough County, Engineering and Operations Department.

RESEARCH TASK 4

FINDING SUMMARY

> **GOALS, OBJECTIVES, AND PERFORMANCE MEASURES USED BY THE PROGRAM TO MONITOR AND REPORT PROGRAM ACCOMPLISHMENTS.**
>
> **Overall, Hillsborough County partially meets Research Task 4.**
>
> **Program goals were clearly stated, measurable, can be achieved within budget and align with the County's strategic plan. Although some performance measures such as pavement and bridge condition inspections are sufficient and clearly documented, other performance measures such as for bicycle and pedestrian infrastructure are referenced in documents without a clear statement of relevant performance measures. At least twelve (12%) of the general purpose surtax, if passed, shall be expended on bicycle or pedestrian infrastructure and related improvements. Internal controls, including policies and procedures, provide reasonable assurance that program goals and objectives will be met.**
>
> **The County should ensure that performance measures for bicycle and pedestrian infrastructure are developed, clearly documented and monitored.**

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

> **SUBTASK 4.1 – Review program goals and objectives to determine whether they are clearly stated, measurable, can be achieved within budget, and are consistent with the County's strategic plan.**

OVERALL CONCLUSION

Overall, Hillsborough County (the County) met expectations for subtask 4.1. To reach this conclusion, the MJ Team interviewed key management and assessed if departmental programs were clearly stated, measurable, can be achieved within budget, and consistent with the County's strategic plan. Key projects for Fiscal Year 2022 and 2023 in the Adopted Budget represent priority objectives related to the departments' goals. The departmental goals were clearly stated, measurable, and can be achieved within budget and align with the strategic plan

ANALYSIS

In order to address this requirement, the MJ Team reviewed the County's Strategic Plan and Fiscal Year 2022 Adopted Budget which includes departmental budgets, program description, accomplishments, core goals, key projects, and examples of three or four performance measures. The MJ Team also interviewed the Public Works / Assistant County Administrator and management team.

COUNTY

The County's Strategic Plan was developed by the Board of County Commissioners on May 15, 2013. It reflects a broad vision, five strategies, and various objectives, which is shown in **Figure 4-1**.
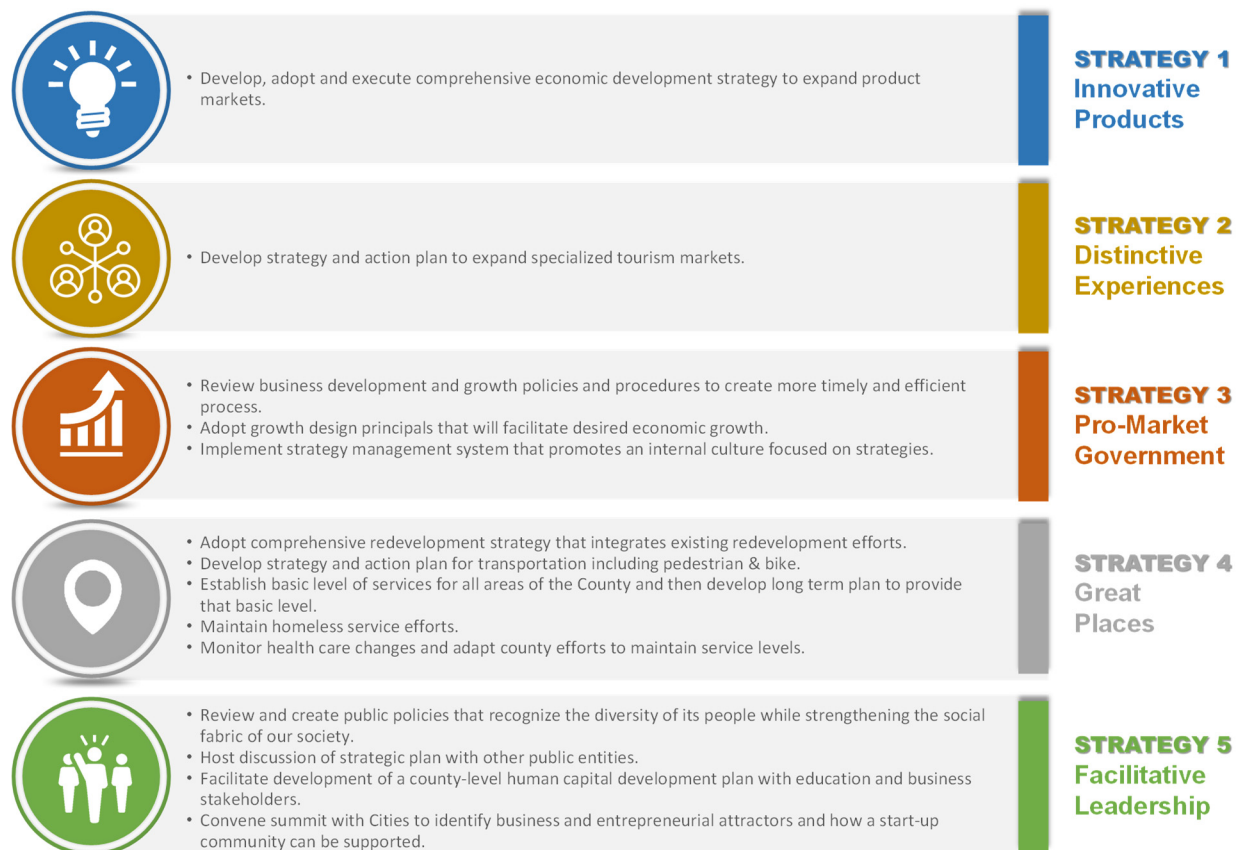
FIGURE 4-1: *The County's focus areas include five strategies.*
Source: County Fiscal Year 2022 Adopted Budget.

PUBLIC WORKS

Public Works maintains an Administration Policy for Organization and Strategic Planning dated March 5, 2022, which requires alignment with the County's Strategic Plan. The policy states that the Public Works staff must ensure alignment with the Mission, Vision, and Values statements, and with the Hillsborough County Strategic Plan.

- The Public Works shall adhere to the County Administrator's Strategic Plan instructions, schedules, and requirements in the preparation and submission of the Department Strategic Plan.

- Direct reports to the Department Director shall be responsible for the drafting of goals and measurable objectives that align with the plans and initiatives of the County Administrator.

Department Goals Achievement Within Budget

In determining if the goals can be achieved within budget, PW management stated that as part of the annual budget process, each department establishes and provides their goals/ objectives/ measures along with their budget submittal. In this way the objectives are developed in conjunction with, and under the constraints of, the available budget. The goals/ objectives/ measures in the Budget Book document include those goals specifically to be achievable within the budget. The budget adoption process includes a review phase, in which each department submission (containing both the objectives and the budget) is reviewed by the Budget Office, the Executive team, and the County Administrator. In accordance with BOCC Policy 03.05.11.00, any change or new budget request must be submitted by the department through the budget process, and be supported by performance data/metrics. This ensures that if budget changes are made, performance goals/objectives are adjusted accordingly.

The Decision Unit (DU) process, which is part of the overall budget process, includes requests for budget changes. One of the DU's that the Engineering & Operations department included with its budget submittal for FY23 consisted of additional personnel and spray trucks to expand larvicide treatment. The DU form includes the budget request as well as the impact on performance measures – in this case a projected increase in acres treated for mosquito larvae as shown in **Figure 4-2**. This presents an example of how goals and performance measures are incorporated in the budget process to ensure that goals can be achieved within budget.

FY 23 DECISION UNIT WITH PERFORMANCE MEASURES FORM (BF002)

DU Type:	Desired	Priority #:	1	Strategic Purpose:	Strategy 2 -Enhanced Public Safety

Function/Service:	Mosquito Management Services/Inspections and Health Risk Reduction (DUMC1)	Organization:	Board of County Commissioners
		Department:	Engineering and Operations

Desired Outcome(s):	Reduce the public health risk of disease transmission by mosquitoes. Increased quality of life for residents through the supression of nuisance ands non-vector species of mosquitoes to low and tolerable levels. Reduction of broad spectrum adult mosquito control application by increasing the effective and environmentally conscious application of target specific pesticides to manage disease vectoring mosquitoes in the larval development stages. Develop and enhance public interest, awareness, and support for the managment of mosquitoes.

PERFORMANCE MEASURES:

Performance Measure Description	The total number of Acres Treated for Mosquito Larvae			
	FY 20	FY 21	FY 22	FY 23
Unit of Measure	acre	acre	acre	acre
Number of Units	22,414	78,802	80,000	100,000
Number of Clients Served	1,512,070	1,512,070	1,512,070	1,512,070
Cost Per Unit	$3.72	$3.72	$3.72	$3.72

IMPACT ON FY 23:

This decision unit is requesting the following. $189,000 in personnel services to establish four (4) additional Mosquito Control Inspector positions along with capital outlay for the purchase of a four (4) mosquito control trucks (F250 Utility Body Larvicide Trucks with Boom Sprayers). These positions will help increase larvacide application and inspection, in keeping with the department's goal of increasing the effective and environmentally concious application of target specific pesticides to manage disease vectoring mosquitoes in the larval development stages. This DU also includes ongoing funding for a pay grade adjustment to position 5269 (Helicopter Pilot) recently approved through HR.

FIGURE 4-2: *PW includes the department's core goals and performance measures in the process for budget change requests.*
Source: Hillsborough County's PW Department.

Department Goals versus County Strategic Goals

Figure 4-3 presents the Capital Programs' departmental goals and key projects, examples of performance measures, relevant County strategic goals, and the budget to accomplish the departments' goals. Based on our analysis, all three department's core goals are clearly stated and measurable. Although the first two goals clearly align with the County's Goal #4 to establish basic level of services, the third departmental goal regarding safety, lacks clear relevance to the County's strategic goals. According to PW management, the department goal for safety is primarily focused on ensuring that the work performed both with in-house staff and with vendors in the community is performed safely with no or minimal safety related incidents or property damage. This department goal aligns with the overall County goal of Great Places in meeting the infrastructure needs of the community through the safe execution of capital projects which the MJ Team deemed reasonable.

Program: Public Works: Capital Programs

Description	The Capital Programs department oversees the project development, design, and construction of the County's Capital Improvement Program for transportation, stormwater, and facilities such as parks, libraries, and fire stations. The department is also responsible for the inspection of developer construction, including subdivision infrastructure and land alteration, private and public utilities in County right of way, public contributed assets in County right of way, and commercial property improvements.
Core Goals	1. Ensure on-time and within budget delivery of projects in order to address the needs of the community. 2. Customer Service: Continue to improve accuracy and response times for CIP-related customer inquiries. 3. Safety: Reducing at-fault incidents of injury and/or property damage.
FY 22 and FY 23 Key Projects (Objectives)	*Core Goal #1: Delivery of Projects and Goal #3: Safety* 1. Completion of the construction phase of the Citrus Park Drive Extension. 2. Complete construction of two buildings that help complete mission critical operations and three new fire stations to provide efficient and secure locations for public works, public utilities, and public safety responses. 3. Commence and complete constructions of sports complex to provide venues for public cultural and recreational opportunities.
Relevance to County Long-Term Goals	Departmental goals align with the following County strategy. *County Strategy 4: Great Places* • Establish basic level of services for all areas of the County and then develop long term plan to provide that basic level.
Performance Measures	• Repair sidewalks (linear feet) to increase pedestrian safety. • Culverts (linear feet) to repair and/or replace. • Roadways resurfaced (lane miles).

Goals and Key Projects Clearly Stated and Measurable	Goals and key projects (objectives) are clearly stated and measurable. The first two core goals align with the County's goals; however, the safety goal lacks clarity in alignment with the County's goals. Per PW's management, this department goal aligns with the overall County goal of Great Places in meeting the infrastructure needs of the community through the safe execution of capital projects which the MJ Team deemed reasonable. The budget document provides the top three projects which represent objectives related to the core goals.
Budget Source(s) to Achieve Objectives	• Capital Budget, page 411, $1.1 57 billion. • Department Operating Budget, Fiscal Year 2022, page 211, $11.5 million, 72 FTE.

FIGURE 4-3: *The budget includes Capital Programs' goals and performance measures. Source: Fiscal Year 2022 Adopted Budget.*

Figure 4-4 presents the Engineering and Operations' departmental goals and key projects, examples of performance measures, relevant County strategic goals, and the budget to accomplish the departments' goals. Based on our analysis, all three department's core goals are clearly stated and measurable and align with the County's strategic goals.

Program: Public Works; Engineering and Operations

Description	The Engineering & Operations department operates, maintains, manages, and engineers County roadway systems and rights-of-way to provide functional roads, sidewalks, and trails for safe travel, stormwater systems to convey runoff and reduce flooding, and mosquito management to protect public health. The department is responsible for maintaining more than 3,300 centerline miles of roadway, or 7,250 traffic-lane miles; 275 bridges; 1,300 miles of pipes; 1,224 miles of ditches; 41,545 drainage structures; 36 pump stations; 17 watersheds (1,354 square miles); 143 miles of channels; 559 traffic signals; more than 145,000 traffic signs; and over 15,000 mosquito production sites. The department operates from its main office in downtown Tampa and seven satellite facilities to provide timely response for transportation and stormwater maintenance.
Core Goals	1. Develop transportation and stormwater infrastructure projects for advancement to design and construction, supporting the annual capital improvement program, and improving safety and mobility, reducing vulnerability, and preserving transportation and stormwater infrastructure assets. 2. Continually expand mosquito management program through the acquisition of additional spray vehicles and boom sprayer attachments to allow a single operator to apply mosquito larvicide in roadside ditches from the safety of the vehicle cab, increasing efficiencies and safety. 3. Customer Service: Respond to 99% of all customer interactions within one business day and continue to reduce the number of active and pending CRM cases. Continue to implement department-wide communication outreach strategy to disseminate essential information, as well as opportunities to improve community engagement.
FY 22 and FY 23 Key Projects (Objectives)	*Core Goal #1: Infrastructure Projects:* 1. Continue to work toward achieving Vision Zero through safety enhancements such as green pavement markings to increase visibility of bike lanes, low-cost safety retrofits, and develop CIP projects for primary walking routes to schools. 2. Remote flood-monitoring system and web viewer, innovative methods to forecast flood stages, and support effective community education and outreach initiatives. 3. Connected vehicle-to-traffic-signal technology solution and providing a foundation to support a future Countywide connected vehicle system.

Relevance to County Long-Term Goals	Departmental goals align with the following County strategy.
	County Strategy 4: Great Places
	• Develop strategy and action plan for transportation including pedestrian & bike.
	• Adopt comprehensive redevelopment strategy that integrates existing redevelopment efforts.
	• Establish basic level of services for all areas of the County and then develop long term plan to provide that basic level.
Performance Measures	• Conduct Stormwater Maintenance (linear feet), including ditch maintenance, pipe repair, and replacement.
	• Localized Roadway Pavement Repairs (lane miles).
	• Mosquito Control Aerial Spray Missions (acres sprayed).
	• Mosquito Public Awareness and Outreach Events.
Goals and Key Projects Clearly Stated and Measurable	Goals and key projects (objectives) are clearly stated and measurable. The budget document provides the top three projects which represent objectives related to the core goals.
Budget Source(s) to Achieve Objectives	Department Operating Budget, Fiscal Year 2022, page 245, $97.8 million, 449 FTE.

FIGURE 4-4: *The budget includes Engineering and Operations goals and performance measures. Source: Fiscal Year 2022 Adopted Budget.*

> **SUBTASK 4.2 – Assess the measures, if any, the County uses to evaluate program performance and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives.**

OVERALL CONCLUSION

Overall, the County partially met expectations for Subtask 4.2. To reach this conclusion, the MJ Team requested documentation to assess if performance measures are sufficient for the program areas. Although some performance measures such as pavement and bridge condition inspections are sufficient and clearly documented, other performance measures such as for bicycle and pedestrian infrastructure are referenced in documents without a clear statement of relevant performance measures. To accomplish this requirement, the MJ Team reviewed the relevant performance measures policy and compiled a list of performance measures located in various PW documents. The MJ Team also interviewed the PW director and management team.

ANALYSIS

Performance Measures Policy

BOCC Policy 03.02.02.15 Performance Measurement states that it is the policy of the BOCC that performance measures be developed for all organizations to provide information on workload, efficiency, and effectiveness. Comparative information should be provided in budget documents for a minimum of three or four years. Selection of measures shall reflect quantifiable key objectives for each organization, industry standards, and the availability of data. It is the responsibility of the management and budget department, under the direction of the County Administrator, to implement this policy.

Departments' Performance Measures

The MJ Team reviewed performance metrics documented in various PW reports to determine if sufficient performance metrics existed for the program areas. Based on our analysis, the department lacks clear performance metrics related to bicycle or pedestrian infrastructure and related improvements that make walking and biking safer. The following chart in **Figure 4-5** presents an overview of the performance metrics documentation provided by Public Works staff.

Source	Performance Measures	Type of Measure
Joint CIP Update: Fiscal Year 2022 Mid-Year Report	Cumulative total and % of projects on schedules and within budget and explanation for variances including Transportation and Stormwater programs.	Cost/schedule
Top 20 June 2022 Report	List of specific projects, projected costs, actual costs, and variance for top 20 programs.	Cost/schedule
CIP Schedule Monthly Variance Report for Parks and Recreation	List of specific projects and reasons for schedule variances such as scope change.	Schedule
Transportation Bond Tracking	List of specific projects, budget, actual expenditures, remaining to spend.	Cost
Transportation Maintenance Division (TMD) Quarterly Report and Year-End Report	Monthly and year to date outcomes compared to the annual plan: *Maintenance* • Roadside mowing – Acres • Ditch cleaning – Linear Feet • Pothole Patching – Tons *Countywide Construction* • Road resurfacing – Square Yards • RRX Repair – Each • Bridge Repair (Guardrail) – Each • Guardrail Repair (Not Bridge) – Linear Feet • Pipe Repair – Linear Feet • Pedestrian Bridge Repair – Linear Feet	Operations

Source	Performance Measures	Type of Measure
	Traffic Operations • Communication/IT Equipment – Each • Signalized Intersection Repair – Each • Traffic Signal Cabinet PM – Each • Crosswalk Install – Linear Feet	
Top 10 Report	Top 10 workorder types, total hours, total cost.	Workorder Analysis
Capital Programs and Engineering and Operations Budget vs Actual Spreadsheet	Budget, actual costs, amount and percent remaining.	Cost/schedule
Technical Services Division (TSD) Fiscal Year 2023 Monthly Program Manager's KPI Report	Performance is evaluated through 8 overall division measures and 194 program specific indicators for Infrastructure, Stormwater and Transportation. Include KPIs, target, and FY22 YTD.	KPIs with targeted performance measures. (See **Figures 4-6** and **4-7**)
Pavement Condition Inspections	Compliance with specific metrics as required in the GASB34 materials (86-100 Good; 71-85 Satisfactory, etc.).	Pavement Metrics
Bridge Condition Inspections	Compliance with specific metrics as required in the GASB34 materials (NBI 9-Excellent, 7-8-Good, etc.) Engineering and Operations' Bridge policy states the following requirements for the bridge inventory condition to meet or exceed the Condition Policy established by the Florida Department of Transportation: • 50% in Good or Better Condition • Not more than 10% in Poor or Failed Condition • Not more than 2% in Failed Condition for a period not to exceed 36 months.	Bridge Metrics
Transportation Workshop Asset Preservation, May 2021	Annual Targets: ***Pavement Preservation Program Lane Miles*** • At least 50% of roads in Good condition • Less than 30% of roads in Poor condition • No roads in Failed condition ***Bridges*** • At least 50% of deck area in Good Condition • Less than 10% of deck area in Poor Condition ***Signal & Traffic Control Device Replacement*** • Replace signals at an average of 5 intersections per year • Conduct annual repairs and maintenance ***No Targets*** • Sidewalk Miles • Regional Trail Miles • Pedestrian Crossings • School Speed Zones	KPIs with targeted performance measures.

FIGURE 4-5: *Various documents are maintained by PW to demonstrate performance metrics maintained.*
Source: MJ Team Review of Public Works Program Documents.

Figures 4-6 and **4-7** list the relevant key performance indicators documented in the Technical Services Division (TSD) Monthly KPI Report. This report documents the department's objectives for developing projects and tracks the monthly performance towards meeting those targets.

Program	FY22 Key Performance Indicators	Target		FY22 YTD
▬▬▬▬ Traffic Management Center	Traffic Signal Incident Investigation, Coordination, Review and Permitting	575	signal timing adjstmnts for incidents, TTC and requests	248
		140	traffic incident and multi-agency coord events	52
		50	traffic incident diversion routes implemented	12
		90%	signal operation investigations within 15 business days	57%
		260	investigations completed	182
		90%	temporary traffic control permits within 10 bus days	75%
		5,200	routine TTC permits	3,833
		570	complex TTC permits (CIP+non-CIP)	58
		90%	CIP signal and MOT plan reviews within 10 business days	75%
		400	reviews	363
▬▬▬▬ Traffic Management Center	Smart Traffic Network Project Management, Monitoring and Reporting	100	power outage emergency beacons constructed end Q4	20
		140	intersections with emergency premption by end Q4	0
		11	signal detection overhead conversions by end of Q4	0
		7	master communication hub tech upgrades by end Q4	1
		3	TMC management system upgrades by end Q4	0
▬▬▬ Traffic Engineering & Investigations Program Manager	Traffic Safety Investigations Cases	80%	routine investigations completed within 45 bus days	57%
		1,200	Routine Cases Completed	635
		<150	Routine Case Backlog by Q4	804
		80%	complex investigations completed within 120 bus days	57%
		150	Complex Cases Completed	29
		<50	Complex Case Backlog by Q4	381
		90%	Localized Safety WO designs within 60 business days	75%
		225	Safety WO designs	203
		14	major road resurfacing project safety audits by end Q4	16
		5	bridge replacement safety audits by end of Q4	0
		100	severe crash location investigations by end Q4	54
▬▬▬ Traffic Engineering &	Various Traffic Investigation Technical Support Reviews	90%	routine reviews within 10 business days	63%
		25	CIP, Developer, crash data and other support reviews	30

FIGURE 4-6: *Transportation Engineering KPIs and year-to-date status, part 1 of 2.*
Source: Public Works Examples of TSD Monthly Program Manager's KPI Report.

Program	FY22 Key Performance Indicators		Target	FY22 YTD
▇▇▇▇▇ Safety & Mobility Systems	School Route Safety Improvement Project Development	6	school advisory team meetings by end Q3	9
		6	route identification analysis By end Q1	6
		6	draft project development reports by end Q2	6
		3	community engagement meetings by end Q4	3
		6	final project development reports by end Q4	0
		2	Haz Walking project development reports by end Q4	0
▇▇▇▇▇ Safety & Mobility Systems	School Route Safety Improvement Monitoring and Reporting	6	tier 1 "low cost" safety design prjcts by end Q3	4
		9	tier 1 "low cost" safety constr prjcts by end Q4	3
		1	tier 2 safety design projects complete by end Q4	0
		6	tier 2 safety design projects started by end Q4	0
▇▇▇▇▇ Safety & Mobility Systems	Pedestrian and Bicyclist Facility Improvement Project Development	10	corridor feasibility studies by end Q3 (requested)	4
		4	low-cost retro dsgn+constr scope pckgs by Q4 (top 135)	0
		3	transit route project dev studies by end Q3	0
▇▇▇▇▇ Safety & Mobility Systems	Low-Cost Driver Safety Project Development, Design and Construction	2	tier 1 "low cost" VZcorr safety proj.constr. by end Q4 (Mango	0
		1	tier 1 "low cost" VZcorr safety proj.designs by end Q3 (78th)	1
		1	tier 2 VZ corr safety proj. design complete by end Q4 (Mango)	0
▇▇▇▇▇ Safety & Mobility Systems	Safety & Mobility CIP Project Monitoring and Reporting	14	Intersection safety prjcts cnstruc. by end Q4 ($17M)	3
		15	pedestrian corridor prjcts cnstruc. by end Q4 ($7.7M)	4
		9	school zone upgrade prjcts cnstruc. by end Q4 ($0.5M)	1
		1	major corridor projects by end Q4 ($63M)	1
▇▇▇▇▇ Technical Review & Standards	Project Document Technical Review and Assistance	90%	project document technical reviews within 15 bus days	91%
		750	CIP document reviews	566
		70	developer plan reviews	76
		170	FDOT or City reviews	156
		70	design exception or deviation reviews	82
		15	vacate request reviews	22
		100%	technical assistance request within 10 business days	93%
		360	technical inquiries	254
		10	conceptual prjct engineer's estimates of probable cost	20
▇▇▇▇▇ Technical Review & Standards	Roadway Design and Technical Manual Support	10	draft design bulletins by end Q4	1
		15	design bulletins published by end Q4	1
		14	drft major rd resurfacing prjct dev packages by end Q3	3
		18	final major rd resurfacing prjct dev packages by end Q4	2
		5	bridge replac typ sect/dsgn criteria reviews by end Q3	2
		5	urgent safety design plan sets by end Q4	1

FIGURE 4-7: *Transportation Engineering KPIs and year-to-date status, part 2 of 2.*
Source: Public Works Examples of TSD Monthly Program Manager's KPI Report.

Although, the County reports various performance measures, at least 12% of the general purpose surtax, if passed, shall be expended on bicycle or pedestrian infrastructure and related improvements that make walking and biking safer. The performance measures show no direct reference to making walking and biking safer which is a significant component of proposed expenditures.

> **RECOMMENDATION 4.2 – Ensure that performance measures for bicycle and pedestrian infrastructure are developed, clearly documented and monitored.**

SUBTASK 4.3 – Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.

OVERALL CONCLUSION

Overall, the County met expectations for subtask 4.3. To reach this conclusion, the MJ Team. identified internal control practices such as project monitoring and performance management and reviewed relevant policies and procedures.

This information is discussed in the analysis section below and represents evidence that the subtask is met.

ANALYSIS

APWA Accreditation

Since 2013, the Hillsborough County's Public Works (PW) has been accredited by the American Public Works Association (APWA). This accreditation includes a comprehensive review and evaluation of operational policies and procedures. Successful accreditation demonstrates alignment with accepted industry practices, ensures definitive guidelines are provided to employees to accomplish their assigned tasks, and provides institutional framework for decision-making and action. Re-accreditation is required periodically, with the latest completed in May 2022.

The Public Works maintains policies and procedures which apply to all employees of the three distinct organizational units – Capital Programs Department, Engineering & Operations Department, and Business Operations Division. Department Directors are tasked with the research, investigation, and analysis of best management practices in the area of public works administration, with the goal of drafting and recommending proposed policies for implementation to the Public Works Assistant County Administrator. The MJ Team reviewed the County's May 16, 2022, APWA Accreditation letter.

Project Monitoring

As indicated in Subtask 1.1 and 1.2, PW utilizes various tools to monitor and report project progress and determine future capital improvement projects. The MJ Team reviewed documentation of these tools including the following deemed adequate for project management and achieving program goals and objectives timely and within budget.

- Quarterly Joint CIP Update Report (CIP Update) provides program administrators an overview of the status and costs of projects in progress and projects completed including project type, number of projects started for each project type, the construction value, and number of projects completed plus projected procurements for the next six months.

- Budget-to-Actual Report prepared by Business Operations staff which program administrators can use to monitor and control their costs.

- Paver Pavement Management System (PAVER) for data analysis, reporting requirements, and other pavement management tasks. The system uses road condition data to produce a pavement condition index (PCI) rating to predict current and future road maintenance and repair needs and costs.

Performance Monitoring

As indicated in Subtask 4.2., the MJ Team reviewed documentation of various tools used by PW to monitor and report performance monitoring and metrics such as the Transportation Maintenance Division (TMD) Quarterly Report and Year-End Report and Technical Services Division (TSD) Fiscal Year 2023 Monthly Program Manager's KPI Report. Performance measures represent a key component in assessing whether program goals and objectives have been met.

Policies and Procedures

Policies and procedures are an essential part of any organization. Together, policies and procedures provide a roadmap for daily operations and standards to ensure compliance with laws and regulations, give guidance for decision-making, and streamline internal processes. PW maintains various policies and procedures provide reasonable assurance that program goals and objectives will be met as presented in **Figure 4-8**.

Name/Purpose	Effective Date	Key Specifications to Support Meeting Program Goals and Objectives
Countywide Project Delivery Manual To summarize the policies and procedures related to the delivery of the CIP and to provide consistent standards for project managers as well as other staff that work on and support its execution	Revised 04/2020	• Project Controls: Methods used for tracking project metrics of scope, schedule, and budget. • Procurement: Presents procedures for the procurement methods. • Contract Management: Explains how both construction and professional services contracts are managed. • Project Development, Final Design and Site Permitting: Discusses processes to be used for the stages of project development as well as Design and Permitting. • Land Acquisition: Covers acquisition options typical timelines for land acquisition which can be critical to the project schedule. • Construction Management: Discusses construction administration and covers the tasks required by the PM to ensure construction contract compliance. • Project Closeout: Discusses project closeout activities including project documentation, contract closeout, fiscal closeout, and lessons learned.

Name/Purpose	Effective Date	Key Specifications to Support Meeting Program Goals and Objectives
PWA-0001.0 2022 Organization & Strategic Planning All Public Works staff must ensure alignment with the Mission, Vision, and Values statements, and with the Hillsborough County Strategic Plan.	03/05/2022	• The Public Works shall adhere to the County Administrator's Strategic Plan instructions, schedules, and requirements in the preparation and submission of the Department Strategic Plan. • Direct reports to the Department Director shall be responsible for the drafting of goals and measurable objectives that align with the plans and initiatives of the County Administrator.
TMD-0001.0 2022 Standard Operating Procedure & Guidelines To establish general policy and guidelines for the best management practices for investigation, work identification, prioritization, planning and scheduling of work and the performance of operations, maintenance, and repair and replacement activities.	03/05/2022	• Documents procedures for Transportation Maintenance (TMD) to maintain pavements and roads and other infrastructures.
Pavement Inspection Procedure & Guideline To provide concise, and consistent expectations through clear andwritten instructions to Program Managers for asset condition inspection and reporting to meet quality and quantity requirements in compliance with GASB34 Modified Approach.	09/08/2020	The asset management system should: • Have an up-to-date inventory of eligible infrastructure assets. • Perform condition assessments of the eligible infrastructure assets and summarize the results using a measurement scale. • Estimate each year the annual amount to maintain. • Conduct inspections using ASTM criteria.
Bridge Policy Manual To provide concise, and consistent expectations through clear andwritten instructions to Program Managers for asset condition inspection and reporting to meet quality and quantity requirements in compliance with GASB34 Modified Approach.	02/2021	• Use best management practices to maximize the service life of the bridge inventory, while minimizing overall project costs. • Conduct bridge inspections using FDOT criteria. • Maintain an annual inspection plan.

FIGURE 4-8: *PW maintains various policies and procedures to enhance internal controls.*
Source: County Policies and Procedures.

RESEARCH TASK 5

FINDING SUMMARY

> **THE ACCURACY OR ADEQUACY OF PUBLIC DOCUMENTS, REPORTS, AND REQUESTS PREPARED BY THE COUNTY WHICH RELATE TO THE PROGRAM.**
>
> **Overall, Hillsborough County meets Research Task 5.**
>
> **The County prepares and makes available in the public domain financial and non-financial information that is useful, adequate, and accurate. The County effectively uses internal and external data analytics and reports to assess the adequacy of the information it provides to the public. The Communications & Digital Media Department has developed an effective assessment tool that measures factors such as social media engagement, citizen engagement, and productivity, which demonstrates quality service from County government. The County provided evidence that it has a process in place to ensure financial data available to the public is accurate as well as a process to ensure that incorrect, erroneous, and incomplete information is corrected in a timely manner.**

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

> **SUBTASK 5.1 – Assess whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public.**

OVERALL CONCLUSION

Overall, Hillsborough County met expectations for subtask 5.1. To reach this conclusion, the MJ Team assessed the County's financial and non-financial information systems that provide useful, timely, and accurate information to the public.

ANALYSIS

To address the requirements of this subtask, the MJ Team conducted a joint interview with individuals in the following positions:

- Chief Communications Administrator
- Director of Communications & Digital Media
- Director of Management and Budget
- Director of Capital Programs

The County also provided the following information to inform our conclusion:

- Link to the County website
- Multiple examples of financial and non-financial information

- Multiple news/press releases published in local newspapers and on social media (e.g., Facebook, Twitter, Instagram, Nextdoor, LinkedIn, YouTube and TikTok)

- Multiple examples of print and collateral materials used to inform the public about County program initiatives

- Examples of informational road signs in relevant neighborhoods to make residents aware of public engagements and public meetings materials including infographics

- Internal communications: Intranet (COIN) and daily COIN News email to all employees

- Letters to neighborhood associations informing residents of proposed or upcoming changes

- Examples of advertisements in relevant local publications and at well-trafficked areas in the community to inform residents of programs and initiatives

Figure 5-1 provides sample financial and non-financial documents available to the public on the County's website, social media platforms, and in print and electronic media. The County's website is easy to navigate, and the sample documents provide evidence that the County has sufficient financial and non-financial information systems that provide useful, timely, and accurate information to the public.

Sample Hillsborough County Public Works Documents Available to the Public	
Financial Information	**Description/Purpose**
Fiscal Year 2018 – Fiscal Year 2023 County Administrator's Recommended Capital Improvement Program	The Recommended CIP is designed to meet County infrastructure needs in a strategic and efficient manner over a six-year period. Community sustainability, environmental considerations and changing conditions require that the CIP be reviewed and updated annually.
Fiscal Year 2020 – Fiscal Year 2021 Adopted Budget	The County establishes and adheres to a budget calendar, which sets the timeline for the budget process and completion of an adopted budget. The County's budget process identifies available resources and spending trends for departments (including Public Works), programs, and noteworthy service statistics. The document also includes PW Core goals for the current budget year, prior budget year accomplishments, department innovations, and key projects the department will undertake. Additionally, personnel information such as the number of full-time equivalent employees is provided in the document.
	Based on financial information presented in the *overall* budget document, Fitch Ratings and Moody's upgraded the County's general credit rating to "AAA" as part of a recalibration of U.S. public finance ratings, which further demonstrates the accuracy and strength of the County's budget document. Hillsborough County has held an "AAA" credit rating from Standard and Poor's Ratings Services since 2006. All

Sample Hillsborough County Public Works Documents Available to the Public	
	three rating agencies reaffirmed their credit ratings recently for the County.
Citizen's Budget in Brief – Fiscal Year 2020 – Fiscal Year 2021	This pamphlet provides a condensed illustrative snapshot of the Fiscal Year 2020 – Fiscal Year 2021 Adopted Budget. The document highlights anticipated strategic and provides an overview of County program spending.
Online Checkbook Register	The Online Checkbook Register" provides access to information related to Hillsborough County's spending. Spending can be viewed by: • Capital Improvements Projects • Vendor & Agencies Spending • Departments Developed in partnership with the County's Comptroller & Clerk of the Circuit Court, Hillsborough County government "the checkbook register" provides a transparent mechanism for the public to view how funds are disbursed and spent. The information contained in the Online Checkbook Register is informational. Hillsborough County will make every effort to ensure the information provided is accurate, though it may be unaudited. No reliance should be placed upon it for making legal, business, or other important decisions.
Comprehensive Annual Financial Report (CAFR), Fiscal Year Ended September 30, 2021	The CAFR is prepared timely by the County Circuit Clerk and complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB).
Non-Financial Information	**Description/Purpose**
Capital Improvement Projects Viewer	The Capital Improvement Projects Viewer allows public access to all County Improvement Projects through a dynamic map viewer. Public Works recently added a more advanced viewer which includes On Budget and On Schedule metrics and has more sophisticated search functionality.
Individual Project Summary Pages	Individual project summary pages provide: (1) a description of specific projects, (2) what to expect (e.g., temporary traffic lane closures, alternate access to impacted businesses), (3) high-level cost and funding information, (4) anticipated timeline for project completion, (5) contact information for key project management staff, (6) pertinent additional information such a project maps, and (7) public meeting notifications.
Project List Search	A search engine within the County's website that allows an individual to locate specific Capital Improvement Projects. Project overview, schedule, current phase, and budget breakdown can be found using this search function as well.

Sample Hillsborough County Public Works Documents Available to the Public	
Public Meeting Agenda and Minutes	The County ensures that when public meetings are held an agenda outlining the anticipated content of the meeting is made available to participants and minutes are written or recorded to inform attendees and non-attendees about what was discussed and what happened during the meetings.
Public Meeting Video Replay	The County provides public meeting video replay for most meetings, which allows citizens who were unable to attend in person the opportunity to view the contents of the meeting at their convenience.
Social Media	Facebook, Twitter, Instagram, Nextdoor, LinkedIn, YouTube and TikTok platforms
Infographics	The County uses a wealth of infographics to provide visual representations of information, data or knowledge that is intended to be presented quickly and clearly to mass population groups. The County uses infographics to inform citizens through communications vehicles such as social media and press releases about upcoming public meetings, projects, and project status.

FIGURE 5-1: *Documents obtained while reviewing Hillsborough County's website.*
Source: Compiled by the MJ Team.

SUBTASK 5.2 – Review available documents, including relevant internal and external reports that evaluate the accuracy or adequacy of public documents, reports, and requests prepared by the County related to the program.

OVERALL CONCLUSION

Overall, the County met expectations for subtask 5.2. To reach this conclusion, the MJ Team assessed relevant internal and external reports that evaluate the accuracy or adequacy of public documents.

ANALYSIS

To address the requirements of this subtask, the MJ Team interviewed the Director of Communications & Digital Media. We also examined internal report analytics related to publicly available information as shown below in **Figure 5-2.**

- Hillsborough County website analytics
- Social media insights for Public Works
- Project related public input comments

The Director of Communications & Digital Media oversees the County's Communications & Digital Media (CDM) Department, which has primary responsibility for crafting key messaging on behalf of the County. This includes responding to media needs, promoting vital programs

utilizing both traditional and modern methods of communication such as the website, social media, news releases, special events, and television station HTV. Leadership from budget and capital projects ensures financial and program-related information is accessible, accurate, and timely.

CDM consists of two divisions with various sections s which include: Public Relations & Marketing, Media Relations, Public Relations Production, Internal Organizational Communications, Visual Design & Brand Identity, Hillsborough TV (HTV), and Analytics & Insights (research, creative and graphics development). The Analytics & Insights section was added to the CDM department in early 2019. This section seeks to understand the user experience with Hillsborough County government. The section instituted the use of several tools that provide insights into how residents engage on the County's website. CDM developed an internal evaluation tool, or service index, which rates the services the department provides. CDM's service levels are measured using multiple factors such as social media engagement, citizen engagement, and productivity (from the vantage point of the citizenry) which demonstrates communication quality of service provided by the County. **Figure 5-3** shows CDM's internal evaluation results for May 2021.
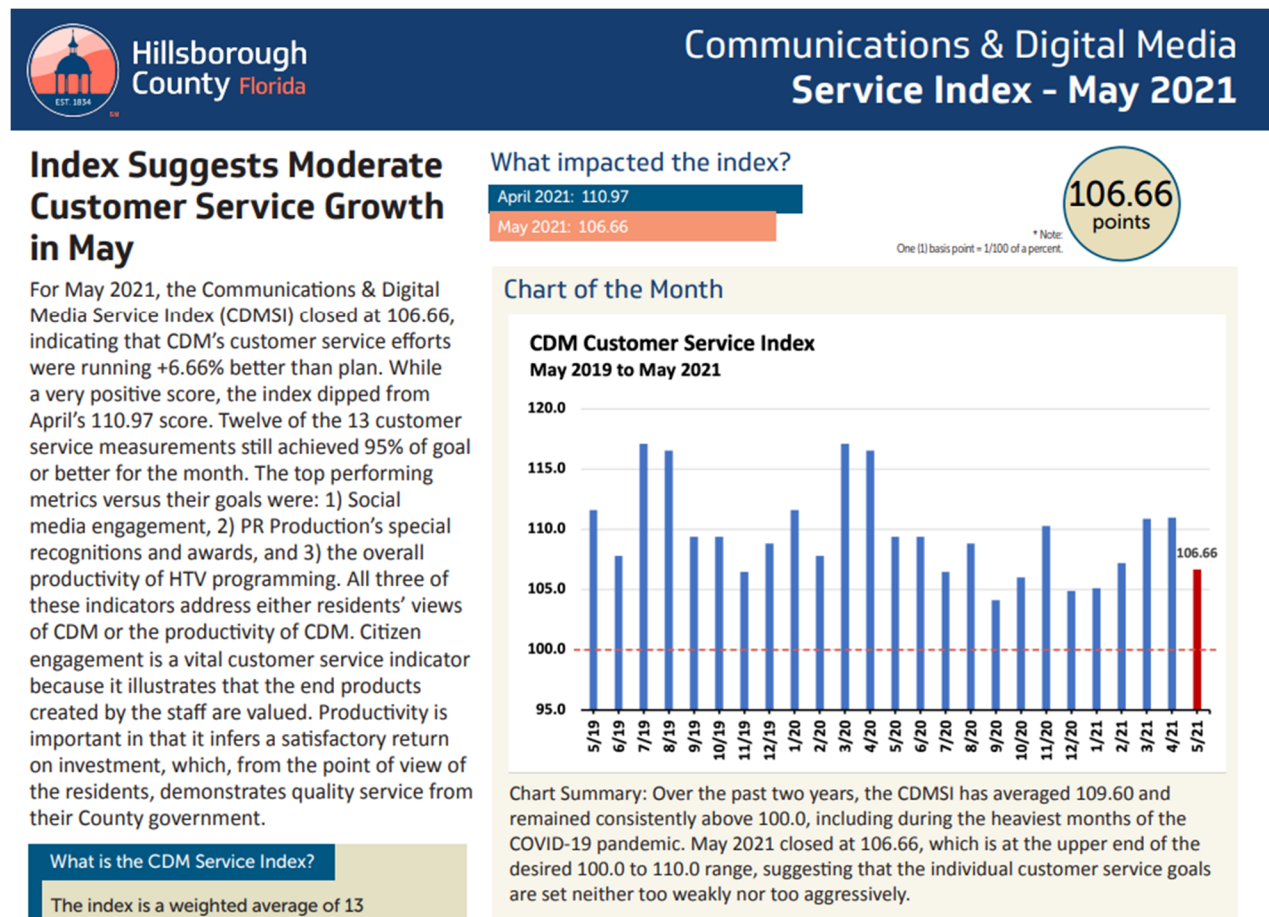
FIGURE 5-3: *CDM's service index for May 2021*
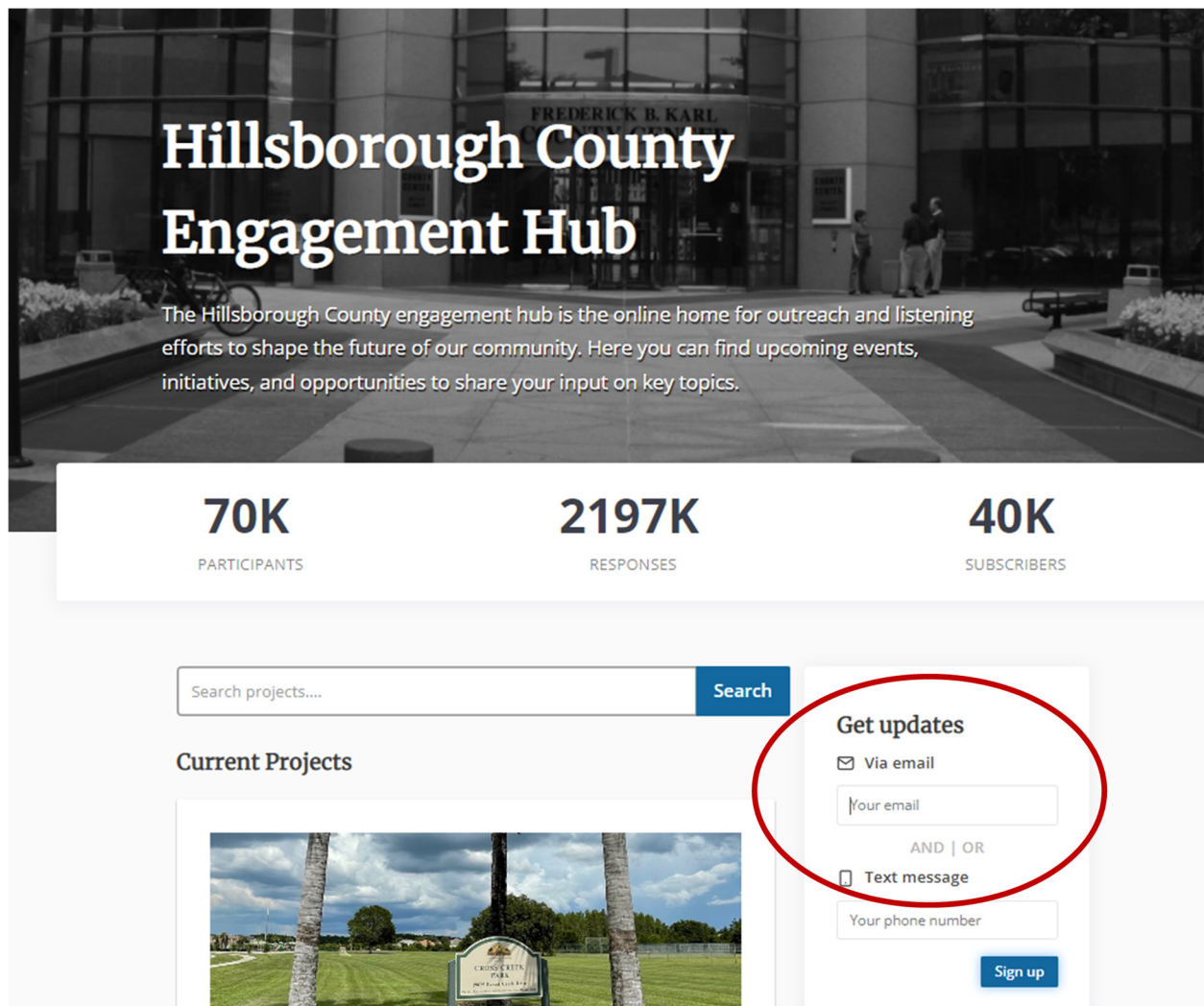*Source: Hillsborough County Communications & Digital Media webpage.*

Based on interviews conducted, CDM staff members understand the importance of analytics and evaluation to measure the success of a program to inform improvements to future efforts. CDM uses Google Analytics and HotJar reports to obtain feedback on its website and social media. Google Analytics allows users to track and compare metrics over a period of time and Hotjar allows users to track and analyze measures real-time using features such as heatmaps and user feedback services. CDM uses surveys, focus groups, and a tool called Userlytics to gain useful feedback decision-making. Userlytics is a test platform that allows users to pre-test survey and focus group questions before going to a live environment.

For example, CDM used Google Analytics to measure the effectiveness of the Public Works webpage on the County's website. The webpage had 27,879 page views from January 2021 – July 2022. The average time spent on the page in 2021 was 42 seconds so far in 2022.

The Hillsborough County Engagement and Educational Hub is an excellent example of effective two-way communication. This tool can be accessed by residents and visitors 24 hours a day, seven days a week. Visitors can get information on survey results as well as learn about key topics and projects taking place throughout Hillsborough County.

Figures 5-4A and 5-4B show the County's Engagement and Education Hub, which promotes public information transparency by allowing users to obtain responses to questions on-line through the 'Get updates' feature. Since inception, this communications tool has had over 70,000 participants, provided 2,195 responses to questions, and over 40,000 subscribers.

FIGURE 5-4A: *Hillsborough County Engagement & Education Hub website.*
Source. Communications & Digital Media Department.

FIGURE 5-4B: *Hillsborough County Engagement & Education Hub website.*
Source. Communications & Digital Media Department.

The CDM Department uses specialized software called "SiteImprove" to assist the department with the identification of inaccurate and incorrect information. SiteImprove software detects broken links, spelling errors and formatting inconsistencies.

Web content coordinators work closely with communications and branding staff to ensure content is consistent and accurate. CDM also ensures that "plain language" free of overly technical jargon is carried throughout the architecture and content of the website. Consistent vocabulary helps to drive the tone and voice of the website as well as with the other communication channels to ensure that verbiage is professional and not too casual for governmental use. Web content is considered to be the master content, which all other communication channels pull to ensure consistency in branding, messaging, and accuracy. Other communications channels include:

- Mobile Devices

- Social Media (Facebook, Twitter, Instagram, etc.)

- Third Party (e.g., Amazon Echo, Siri SDK, Google Now)

- Live or Video Chat (for example, pop-up chat window, Skype/ Facetime)

- Voice (Phone, for example IVR scheduling)

- Other (for example integration of sensor technology, self-service terminals)

> **SUBTASK 5.3 – Determine whether the public has access to program performance and cost information that is readily available and easy to locate.**

OVERALL CONCLUSION

Overall, Hillsborough County met expectations for subtask 5.3. To reach this conclusion, the MJ Team assessed relevant department information to determine the public's ability to access program performance and cost information.

ANALYSIS

To address the requirements of this subtask, the MJ Team conducted a joint interview with the following positions:

- Director of Management and Budget
- Director of Capital Programs
- Budget Manager Capital Team

The MJ Team also reviewed performance and cost data from the following sources on the County's website:

- Fiscal Year 2018 – Fiscal Year 2023 County Administrator's Recommended Capital Improvement Program

The MJ Team identified multiple examples of projects on the County's website that address this subtask. **Figure 5-5a** shows Public Works Capital projects that are in the Request for Proposal (RFP) stage, with awards pending. A description of the project and estimate amount (cost) is displayed. **Figure 5-5b** provides more detailed descriptions of the projects along with project objectives and estimated schedule for completion.

CCNA PROCUREMENT TRACKING SCHEDULE AS OF 7/11/2022

| CAPITAL PROGRAM – CCNA & RFO CONTRACTS								
Current Status	Stand-Alone (SA)/Work Orders (WO)	Project	Procurement ID	Bid Opening - Advertise	Est. Amount	Term/ Years	# of Vendors	Amt. per Vendor
Award Pending	SA	Brandon Library Replacement	22436	11/01/21	$630,000	1	1	$630,000
Award Pending	SA	Lithia Pinecrest Rd Widening (Fishhawk Blvd to Lumsden Ave)	22687,2	01/24/22	$5,000,000	1	1	$5,000,000
Award Pending	WO	Misc. Civil Eng. SBE (Set-Aside) (Replacement for	22946	02/04/22	$1,500,000	2	3	$500,000

CAPITAL PROGRAM – CCNA & RFO CONTRACTS

Current Status	Stand-Alone (SA)/Work Orders (WO)	Project	Procurement ID	Bid Opening - Advertise	Est. Amount	Term/ Years	# of Vendors	Amt. per Vendor
		Bid 16467) (Architecture)						
Award Pending	WO	Misc. Professional CEI (Transportation)	23247	03/09/22	$9,000,000	2	3	$3,000,000
Submitted to Procurement	SA	Progress Village Regional Drainage Improvement – Progressive Design Build	23310	06/27/22	$1,000,000	2	1	$1,000,000
Submitted to Procurement	WO	Professional Misc. Architecture/ Engineering Services	23513	06/28/22	$12,000,000	2	6	$2,000,000
Dept. Drafting & Review	SA	African American Arts & Culture Center	N/A	08/20/22	$1,250,000	1	1	$1,250,000

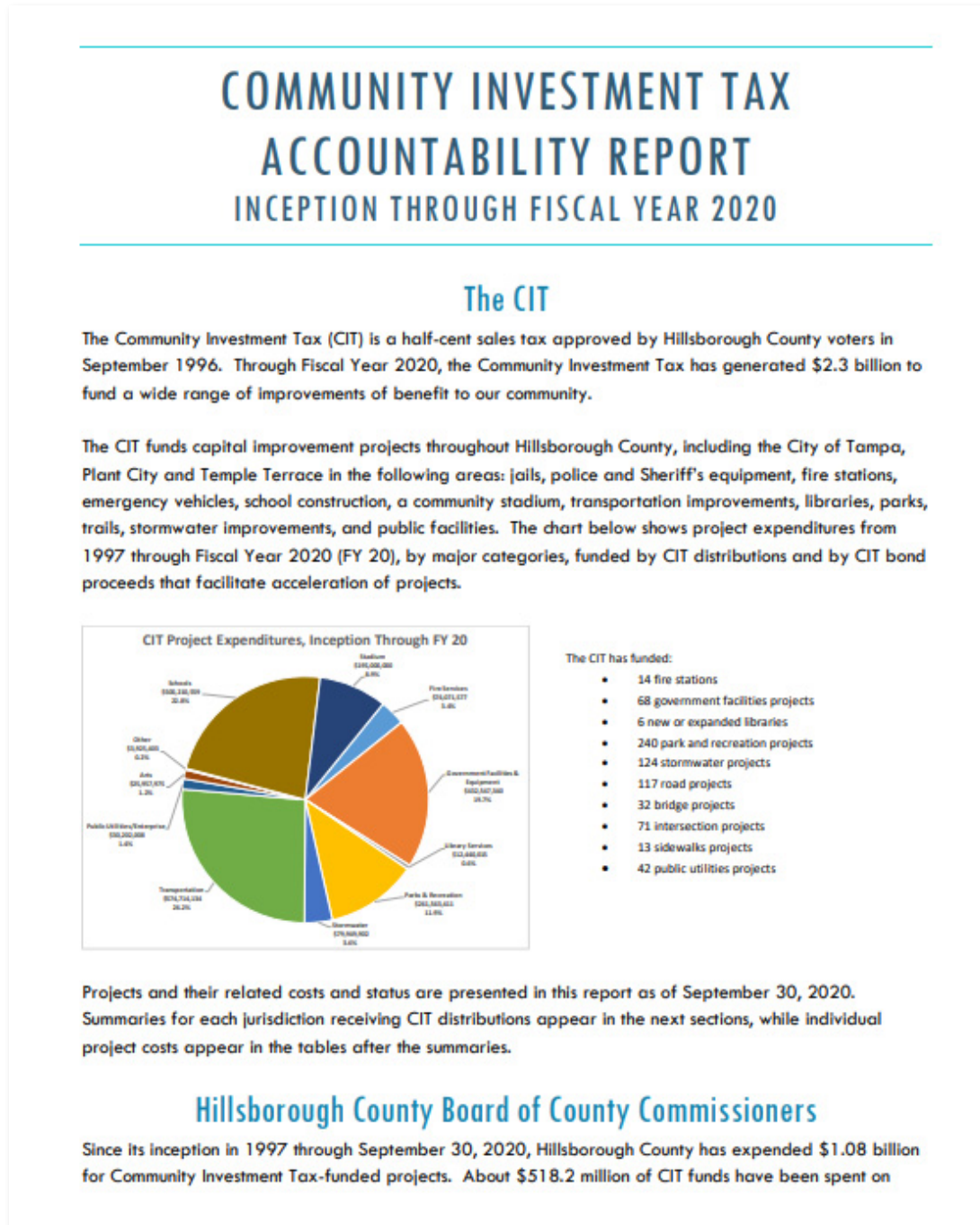| LEGEND |
|---|
| POST-AWARD |
| AWARD PENDING |
| ADVERTISE & OPENING |
| SUBMITTED TO PROCUREMENT |
| DEPT DRAFTING & REVIEW |

FIGURE 5-5a: *Public Works Capital projects that are in the Request for Proposal (RFP) stage.*
Source: Hillsborough County Public Works webpage.
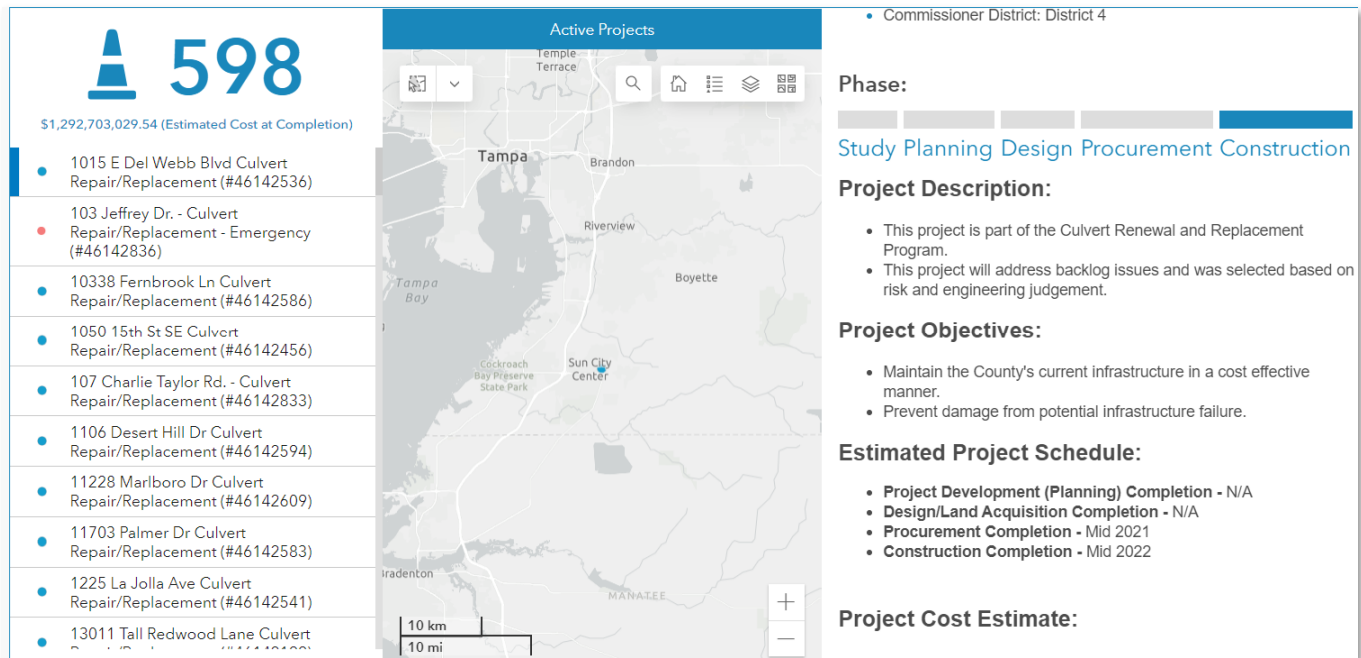
FIGURE 5-5b: *Public Works Capital projects that are in the Request for Proposal (RFP) stage.*
Source: Hillsborough County Public Works webpage.

Figure 5-6 provides a snapshot of the County's Community Investment Tax Accountability Report from inception through Fiscal Year 2020. The report shows that the County has spent $1.08 billion on these PW projects and lists the number and types of projects on which funds were spent.

COMMUNITY INVESTMENT TAX ACCOUNTABILITY REPORT
INCEPTION THROUGH FISCAL YEAR 2020

The CIT

The Community Investment Tax (CIT) is a half-cent sales tax approved by Hillsborough County voters in September 1996. Through Fiscal Year 2020, the Community Investment Tax has generated $2.3 billion to fund a wide range of improvements of benefit to our community.

The CIT funds capital improvement projects throughout Hillsborough County, including the City of Tampa, Plant City and Temple Terrace in the following areas: jails, police and Sheriff's equipment, fire stations, emergency vehicles, school construction, a community stadium, transportation improvements, libraries, parks, trails, stormwater improvements, and public facilities. The chart below shows project expenditures from 1997 through Fiscal Year 2020 (FY 20), by major categories, funded by CIT distributions and by CIT bond proceeds that facilitate acceleration of projects.

CIT Project Expenditures, Inception Through FY 20

The CIT has funded:

- 14 fire stations
- 68 government facilities projects
- 6 new or expanded libraries
- 240 park and recreation projects
- 124 stormwater projects
- 117 road projects
- 32 bridge projects
- 71 intersection projects
- 13 sidewalks projects
- 42 public utilities projects

Projects and their related costs and status are presented in this report as of September 30, 2020. Summaries for each jurisdiction receiving CIT distributions appear in the next sections, while individual project costs appear in the tables after the summaries.

Hillsborough County Board of County Commissioners

Since its inception in 1997 through September 30, 2020, Hillsborough County has expended $1.08 billion for Community Investment Tax-funded projects. About $518.2 million of CIT funds have been spent on

FIGURE 5-6: *Snapshot of the County's Community Investment Tax Accountability Report from inception through Fiscal Year 2020.*
Source: Hillsborough County Public Works webpage.

SUBTASK 5.4 – Review processes the program has in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.

OVERALL CONCLUSION

Overall, Hillsborough County met expectations for subtask 5.4. To reach this conclusion, the MJ Team assessed relevant department data and conducted interviews with staff to ensure the County has processes in place to ensure accuracy and completeness of any program performance and cost information provided to the public. The County uses its capital and operating budgeting processes, which are all documented for the public on the website, as the foundation for ensuring program performance and cost information provided to the public is accurate and compete.

ANALYSIS

To address the requirements of this subtask, the MJ Team interviewed the following positions:

- Director of Management and Budget
- Director of Capital Programs
- Budget Manager Capital Team

We also examined the following documents:

- County Administrator's Recommended Capital Improvement Program
- Fiscal Year 2021 and 2022 Adopted Budget

The budget processes are publicly available on the County's website and are outlined below.

- *Capital Project Budgets*

  A Capital Project Initiation request form is used to document new project or change requests. This form is designed to guide the preparer in providing necessary information including the reason for the project, proposed location and scope, funding requirements by fiscal year, proposed project schedule and completion dates, anticipated operating cost impacts and management approvals. This form helps ensure the accuracy and completeness of project cost information presented in the Capital Improvement Program document each budget cycle.

- *Operating Budgets*

  Budget Instructions are sent out every year by the Director of Management and Budget to the departments to guide their budget requests and are referenced in the Budget Process and Amendment Process. Guidance is provided on how to submit operating budget and capital improvement project requests, which includes costs, and the proper forms to use (Decision Units, Capital Project Initiation Request, and others). This process helps to ensure the accuracy, completeness, and consistency of County budget information each budget cycle that is presented in budget documents.

- *Budget Planning Process*

  This process ensures the County complies with specific legal requirements for budget adoption and levying property taxes. It also describes the four phases and associated timing of the County's budget process - planning, preparation, review, and adoption. This process helps ensure the accuracy, completeness, and consistency of County budget <u>and related cost and program information</u> each budget cycle.

- *CIP Budget Process*

  This is an extract from the County's Capital Improvement Program (CIP) document and reviews the process of updating the CIP and Capital Budget each budget cycle. It provides a high-level timeline, forms used, internal processes and legal compliance highlights that are part of the CIP update process. This process helps ensure the accuracy and completeness of County Capital Improvement Program project budget document information each budget cycle.

- *Decision-Unit Instructions*

  These instructions provide departments with detailed instructions on how to complete decision unit forms during the annual budget process. This form is discussed in the budget instructions and is used by County leadership to assess budget requests from the departments. This form helps ensure the accuracy and completeness of County budget information each budget cycle.

- *Budget Amendments*

  After formal adoption of the budget each September by the Board of County Commissioners (BOCC) for the fiscal year beginning October 1st of each year, changes may only be made to the adopted budget with a budget amendment. An amendment is a BOCC agenda item processed to increase or to decrease an existing budget. This process ensures the accuracy and integrity of the budget information.

The County's Capital Project Budget document, Operating Budgets, Budget Planning Process, Decision Unit Instructions, and Budget Amendment process all work together to ensure the accuracy and completeness of program performance and cost information and these documents and processes are publicly available on the website.

> **SUBTASK 5.5 – Determine whether the program has procedures in place that ensure that reasonable and timely actions are taken to correct any erroneous and/or incomplete program information included in public documents, reports, and other materials prepared by the County and that these procedures provide for adequate public notice of such corrections.**

OVERALL CONCLUSION

Overall, the County met expectations for Subtask 5.5. To reach this conclusion, the MJ Team assessed procedures in place to ensure that reasonable and timely actions are taken to correct any erroneous and/ or incomplete program information included in public documents and/ or electronic media. The procedures provide clear instructions for making corrections to various types of information in the public space and require that immediate action be taken as soon as the corrections are noticed.

ANALYSIS

To address the requirements of this subtask, the MJ Team interviewed the Director of Communications & Digital Media . We assessed CDM's procedure for correcting erroneous information and examples of corrected information provided by the County.

During interviews, the MJ Team was told that CDM continually monitors and reviews public information content that is published and/or promoted on its various platforms such as the website, press releases, and news stories, as well as information that third parties, such as mass media outlets are publishing. CDM indicated that on occasion, there may be a need to correct erroneous information that has been published by a media outlet or on a County channel. CDM has established a formal procedure so that all members of the staff responsible for content have clear instructions to take corrective actions when the need arises.

Figure 5-7 provides CDM's standard operating procedure (SOP) for correcting public information and presents examples of information that was corrected using the process noted in the County's SOP. The SOP provides clear guidance for making corrections to broadcasts, publications, webpages, press releases, and newsroom stories and requires that the CDM contact the author, publisher, or broadcaster of the incorrect fact/misinformation and seek an immediate correction to be published/broadcast in the format as the original false item.

Figure 5-8 provides an example where CDM corrected a public information notice promptly using its SOP.

Standard Operating Procedures for Corrections

Hillsborough County Florida
Communications & Digital Media

Introduction and Purpose:

Communications & Digital Media (CDM) is charged with maintaining the County's reputation in the eyes of the public. Part of this mission is ensuring the accuracy of media broadcasts and reports, news releases issued by the County or other organizations, and any public mention of the County or its services on the internet, social media outlet, or any other form of mass communication. Upon identifying an inaccurate, incorrect, or otherwise false or objectively misleading fact in the public space, CDM will contact the author, publisher, or broadcaster of the incorrect fact/misinformation and seek an immediate correction to be published/broadcast in the same format as the original false item. Corrections should clearly identify the error and provide the correct information. If a publisher or broadcaster refuses to correct an objectively false piece of information, the director of CDM may consult with the County Attorney's office to determine whether further action is warranted.

Scope and Distribution:

This standard operating procedure is for all CDM managers.

Procedures:

Upon identifying the incorrect information in the public space:

1. Preserve the broadcast or publication that contains the incorrect information.

2. Notify the director of CDM about the incorrect information.

3. Contact the broadcaster or publisher and request, in writing, a correction to be published/broadcast in the same platform as the original incorrect piece of information.

4. Preserve the broadcast or publication that contains the correction.

5. Depending upon the nature of the incorrect information, the director of CDM may deploy additional resources to correct the error(s) in the public space, including media releases, media availabilities, social campaigns, or other communications strategies as warranted.

Correct info about Ferry vote from Hillsborough BOCC

CDM Staff
To ○ FOX13tampanews@foxtv.com   8/8/2019

Fox13 newsroom,

It was incorrectly reported that we passed the original motion which included funding. What the BOCC approved was a substitute motion proposed by Commissioner Murman. Here is the motion:

"A substitute motion to not send the agreement and refer the Ferry project over to HART for future work and financial responsibility."

This can be found here at the 4:54:46 mark. The vote was 4-3 in favor of the substitute vote.

Please let me know if you have any questions. Mobile number is best.

CDM Staff
Senior Media Relations Strategist
Communications & Digital Media

Hi WUSF team,

I noticed in your story today on overcrowding at the County's pet shelter that your story misstated the increase in the shelter's cat population. Your story said the cat population had increased by 250 percent; the actual increase was 500 percent.

It's an easy mistake to make – the 250 percent is the combined dog/cat percentage – but could you correct the mistake in your online version, and if the story reruns on the air or is referenced in a future newscast? Thank you and let me know if you have any questions or would like to discuss the matter further.

CDM Staff
Media Relations
Communications & Digital Media

- Examples of email communications to external media contacts seeking immediate corrections to be published/broadcast in the same format as the original false items.

Upon identifying the incorrect information published/broadcast by the County in the public space:

1. Preserve the broadcast or publication that contains the incorrect information.

2. Notify the director of CDM about the incorrect information.

3. Issue a correction in the same platform as the original incorrect piece of information. Label the item clearly as a CORRECTION in the headline. Corrections should clearly identify the error and provide the correct information. If the corrections result in printing of new materials, collect materials with incorrect information and dispose of them.

4. Preserve the broadcast or publication that contains the correction.

FW: Correction to online story today

CDM Staff
To ● CDM Staff   4:05 PM
On Jul 10, 2014, at 1:08 PM, CDM Staff wrote:

Clarification on Hillsborough, Pasco among biggest recyclers at http://lakerlutznews.com/lln/?p=20018

The statement "Hillsborough collected 7.74 pounds of trash per day, per person, including 1.8 million tons of solid waste. Of that solid waste, 775,000 tons were directly recycled, generating 547,000 megawatts of renewable energy..." is probably more accurately phrased as "Hillsborough collected 7.74 pounds of trash per day, per person, totaling 1.8 million tons of solid waste. Of that solid waste, 775,000 tons were directly recycled and other waste generated 547,000 megawatts of renewable energy ..."

I apologize if the information in my release was unclear and I hope this helps. Please feel free to contact me with any questions.

- Example of email communication upon identifying the incorrect information published/broadcast by the County in the public space.

FIGURE 5-7: *CDM's Standard Operating Procedure (SOP) for correcting public information.*
Source. Communications & Digital Media Department.

SOP for Updating Web Pages, Press Releases, and Newsroom Stories

When an error is identified on Hillsborough County's website (HCFLGov.net)

Upon identifying the incorrect information in the public space:
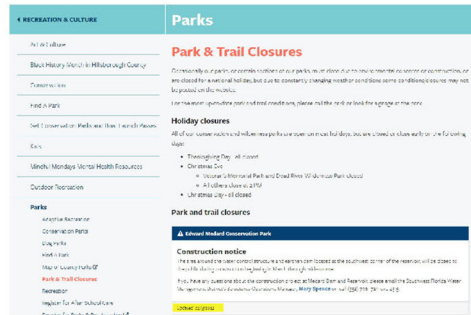
Web Pages

- Page-level updates are requested through and tracked by an internal platform.
- Versions of the page are preserved in the content management system (CMS) for at least one year.
- For major changes, an entirely new version of the page is created and published over the original page.
- For minor changes, revisions will be made to the original version.
- Changes are made in real-time.
- In all cases (unless otherwise requested) the URL is preserved.
- Webpages with frequently updated information, such as park closure pages or public safety information during times of crisis, incorporate the date of the most recent update.

Press Releases

- If there is a press release that needs to be updated (other than spelling errors or fixing broken links) the following procedure are followed:
- All press release updates are requested through and tracked by an internal platform.
- Versions of the release are preserved in the CMS for at least one year.
- Updated press releases are created as a NEW press release.
- If applicable, the MRS will indicate very briefly at the top of the release why the update is necessary.
- The original press release and any other releases affected, will include a note and link to new release at the top of the page:
- "This release has been updated, view the latest version."

Newsroom stories

- Newsroom stories are reviewed and updated on a case-by-case-basis to determine the best option:
- All news story updates are requested through and tracked by an internal platform.
- Versions of the newsroom story are preserved in the CMS for at least one year.
  - **Option one:** Make edits made to the original story, and update the publish date to the current date.
  This option is used if the story is widely linked on third party websites or if the story is marked as an Evergreen (long term relevance). This preserves the original URL.
  - **Option two:** Create a new version of the newsroom story with the current date.
  This creates a new story with a new URL. The original newsroom story may be unpublished to reduce confusion.

■ Example of webpage with frequently updated information (park closure page) incorporating the date of the most recent update.

■ Example of original press release that includes a note and link at the top of the page to a newer version of the release.
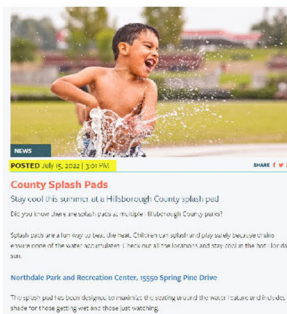
■ Example of newsroom story that includes the story's most recent posted date and time.

FIGURE 5-8: *Example of a document that was provided to the public with incorrect information.*
Source: Hillsborough County's Communications & Digital Media Department.

RESEARCH TASK 6

FINDING SUMMARY

COMPLIANCE OF THE PROGRAM WITH APPROPRIATE POLICIES, RULES, AND LAWS.

Overall, Hillsborough County partially meets Research Task 6.

The County employs full time legal staff responsible for providing transactional and governance legal services to the County. In this capacity, the attorneys review all contracts requiring board approval for compliance with legal requirements and board policy. The County obtains outside legal assistance when necessary. The County stays abreast of federal and state legislative changes through membership in professional associations and through contracts with three lobbying firms that represent the County's interests at the state and federal level. Policies and procedures are a key internal control, yet financial policies lack updates for over 10 years. The County should review and update financial policies, especially those over 10 years old. The annual external auditor's reports reviewed demonstrated that the more significant audit findings were corrected and not repetitive indicating overall timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means. However, the County lacked implemented corrective action plans for the external auditor's reported repeat management letter comments and one current year audit finding. MJ recommends that the Office of Clerk continue to monitor and implement action plans to correct repeat management letter comments and resolve the current year audit finding. Finally, program administrators took reasonable and timely actions to determine whether planned uses of the surtax were in compliance with applicable state laws, rules, and regulations particularly as such laws relate to Section 212.055(1), *Florida Statues*- Charter County and Regional Transportation System Surtax and to the County's planned surtax uses outlined in Ordinance Number 22-9, adopted by the BOCC on April 20, 2022.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 6.1 – Determine whether the program has a process to assess its compliance with applicable (i.e., relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.

OVERALL CONCLUSION

Team MJ did not divide Subtask 6.1 into separate program areas because the County's legal infrastructure applies to all County departments.

To address the requirements of this subtask, the MJ Team interviewed the senior assistant county attorney, the chief administrator for Government Relations & Strategic Services, and the PW director. We also examined the five components of the County's legal compliance process. This information demonstrates that the program has a process to assess its compliance with applicable (i.e., relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies. Therefore, this subtask is met.

ANALYSIS

As illustrated in **Figure 6-1**, the County's legal compliance process consists of five spheres of operation, which are discussed after the graphic.

FIGURE 6-1: *The County's Legal Compliance process is comprised of five spheres of activity. Source: Hillsborough County, Staff Interviews.*

County Attorney's Office

The Board of County Commissioners (BOCC) appointed the county attorney who reports to and provides legal advice to the board, county administrator, and all County departments. The county attorney also prosecutes and defends legal actions by and against the County as approved or directed by the BOCC. The officers created under Section I(d) of Article VIII of the

Florida Constitution (the clerk of the Circuit Court, property appraiser, tax collector, sheriff, and supervisor of elections) may also use the legal services of the county attorney.

The county attorney also advises the Hillsborough Transportation Planning Organization (TPO), which is a transportation policy-making board mandated by federal and state law. The TPO ensures that federal and state expenditures on existing and future transportation projects and programs are based on a continuing, cooperative, and comprehensive transportation planning process.

Duties of the County Attorney's Office (CAO) include, but are not limited to the following:

- Reviewing all board agenda items and contracts for legal sufficiency.
- Advising departments on developing contractual agreements.
- Working with the BOCC and departments on the development of board policies.
- Helping ensure that management/department directives are not in conflict with board policy.
- Complying with the County's Administrative Directive #AD-04, effective September 2021, which establishes uniform policies and procedures for the preparation and submission of agenda items and follow-up for regularly scheduled meetings of the BOCC.
- Advising the BOCC on state and federal changes in laws that impact the County.
- Working with outside counsel when necessary.

These and other duties are executed through the CAO, which, in addition to the county attorney, consists of 33 attorneys and 24 support staff across six division as summarized in **Figure 6-2**.

Division	Number of Attorneys	Number of Support Staff	Total Staff
County Attorney	1	1	2
Business Transactions	8	4	12
Litigation	7	7	14
Public Utilities & Utility Regulation	2	4	6
Ethics & Elections	1	1	2
Real Estate & Development	6	3	9
Employment & Regulatory	8	4	12
Total	**33**	**24**	**57**

FIGURE 6-2: *The County Attorney's Office consists of 33 attorneys and 24 support staff.*
Source: County Attorney's Office Organization Chart.

To confirm CAO involvement with County departments, the MJ Team examined email evidence of CAO assisting PW staff with a public-private road construction agreement. We also examined continuing education courses available CAO attorneys noting their relevance to CAO duties. Topics included Sunshine Law, Public Records and Ethics; City, County, and Local Government Law Review Course; Annual Public Employment Labor Relations Forum; Public Finance 2021, Legislative Update 2021, and Land Use 2022.

Government Relations & Strategic Services (GRSS)

The GRSS consists of two positions: (1) GRSS division director; (2) Government Relations Division Coordinator, GRSS. The GRSS provides information to the BOCC about changes in legislation that impacts the County. GRSS staff attend the legislative session each year.

During the legislative session each year, GRSS staff prepare daily and weekly recaps of the Legislature's activities and the status of House of Representatives and Senate bill status. GRSS also prepares a comprehensive report at the end of the legislative session.

Team MJ reviewed the Florida Legislative Session Summary Report-2022, that GRSS staff prepared at the end of the 2022 legislative session noting that it provided a comprehensive review of laws passed by the Florida Legislature that could have an operational or fiscal impact on the County. The report informs and enables the BOCC, departments, and the public to understanding and execute relevant new laws.

This report details outcomes regarding the 2022 Hillsborough County State Legislative Program along with a listing of key legislation by department. When a particular bill affects multiple County departments or constitutional officers, the bill is cited in each appropriate section to ensure attention by appropriate parties. Many parts of this report are hyperlinked to provide quick and easy access to additional information.

Outside Counsel

The County contracts with outside firms that have a unique legal capability not resident within CAO. The BOCC, county administrator, and CAO decide when outside counsel in necessary. When outside counsel is engaged, the CAO could be involved depending on the nature of the engagement. Areas of law in which outside counsel is currently engaged, including the following:

- administrative law, ethics, federal litigation, intellectual property and real estate
- eminent domain matters
- solid waste collection, disposal and recycling services and other solid waste-related issues
- bond counsel services
- disclosure counsel services

Lobbyist

The County contracts with three lobbying firms to represent its interest at the state and federal level. Two firms provide lobbying services at the state level and one at the federal level. The state lobbyist performs various services including monitoring and informing the County on state and federal legislation that impacts the County and informs the County of opportunities that are in its best interests. The federal lobbyists represent the interests of the County before the legislative and executive branches of the United States government.

To complement the effort of the lobbyist, the County has a subscription to and use a service called Lobbytools. This service helps the County identify bills, keywords, and statutes of interest to better monitor the legislative process. It also provides real-time, hourly or daily alerts of legislative developments.

Professional Associations

The County and CAO stay abreast of federal and state legislative changes through membership in professional associations. The Florida Association of Counties (FAC) helps Florida counties serve and represent their communities through advocacy, collaboration, and education. The Florida Association of County Attorneys (FACA) provides a forum for research, advice, and discussion in the development of local government law, including technical assistance. The stated mission of the Florida Association of County Engineers (FACERS) is to: *"foster and maintain a high professional spirit among the members, provide instructive and entertaining programs of interest to the members, and to provide an organization through which the public works programs may be coordinated among Florida's Counties, Municipalities and other governmental agencies."*

> **SUBTASK 6.2 – Review program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures.**

OVERALL CONCLUSION

Overall, this subtask is partially met. Although the County maintains an infrastructure with program internal controls including independent annual external audits, internal audit risk assessments and periodic monitoring and status reports to the BOCC, capital improvement project planning and budgeting processes, and purchasing and contract management practices, the County lacks a clear process to document the review of current local policies and procedures. Policies and procedures represent a key internal control to document authorized management directives, support in compliance with laws and regulations, give guidance for decision-making, and streamline internal processes. Financial policies maintained on the County's website are over 10 years old without evidence of a periodic review.

ANALYSIS

To address the requirements of this subtask, the MJ Team interviewed the County Internal auditor who reports to the Board of County Commissioners (BOCC) and the Clerk of Court auditor who reports to the Clerk of the Circuit Court. The County's program internal controls include the following categories.

Annual External Audit

An annual Comprehensive Annual Financial Report is completed by the Clerk of the Circuit Court and County Comptroller consisting of an independent CPA's firm audit results and evaluation of internal controls. During an audit of a governmental entity, independent auditors perform procedures and issue reports that address the entity's internal controls.

The auditors identified two areas to improve internal controls during the audits conducted for fiscal years 2020 and 2021. The audit reports indicate that corrective action was taken to resolve significant or material audit findings with no occurrences of repeat audit findings. The County's independent auditors issued the reports in connection with their audit, which are shown in **Figure 6-3**. The auditors' Fiscal Year 2021 report included two repeat management letter observations related to opportunities for improvement in financial reporting.

	INDEPENDENT AUDITOR REPORTS FINDINGS		
Report Description	**Audited Financial Statements and Supplemental Information Dated June 24,2022 Year Ended 9/30/2021**	**Audited Financial Statements and Supplemental Information Dated April 22, 2021 Year Ended 9/30/2020**	**Audited Financial Statements and Supplemental Information Dated June 11, 2020 Year Ended 9/30/2019**
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	• No exception regarding compliance with laws, regulations, contracts, and grant agreements.	• No exception regarding compliance with laws, regulations, contracts, and grant agreements.	• No exception regarding compliance with laws, regulations, contracts, and grant agreements.
Report on Compliance for Each Major Federal Program and State Project and On Internal Control Over Compliance Required by the Uniform Guidance and In Accordance	• No exceptions regarding compliance requirements with major federal programs and state projects.	• No exceptions regarding compliance requirements with major federal programs and state projects.	• No exceptions regarding compliance requirements with major federal programs and state projects.

INDEPENDENT AUDITOR REPORTS FINDINGS			
Report Description	**Audited Financial Statements and Supplemental Information Dated June 24,2022 Year Ended 9/30/2021**	**Audited Financial Statements and Supplemental Information Dated April 22, 2021 Year Ended 9/30/2020**	**Audited Financial Statements and Supplemental Information Dated June 11, 2020 Year Ended 9/30/2019**
with Chapter 10.550, Rules of the Auditor General			
Schedule of Findings and Responses-Federal Awards and State Financial Assistance	• No findings regarding internal control over financial reporting. • 2021-001 Federal Awards and State Assistance. County expenditures included in schedule of federal and state awards and overstatement of expenditures.	• 2020-001 Financial Accounting: various accounting corrections due to insufficient financial statement preparation and review procedures. • 2020-002 Depreciation of Capital Assets: overstated expense due to lack of review before water fund project assets are placed into service and review of depreciation expense. • 2020-003 Accounts Payable Accruals incorrect due to accruing only liabilities at year that exceed $50,000.	• 2019-001 Modified Approach for Accounting including transportation and stormwater infrastructure assets. • 2019-002 Financial accounting and reporting. • 2019-003 Significant assumptions related to post employment benefits accounting by the Sheriff's office. • 2019-004 Compliance regarding eligibility for children and families in need of services.
Repeat Audit Findings?	• No	• No	• No
Management Letter Comments	• ML 2020-01 Purchase Method of Accounting for Inventory and Prepaid Items. Repeat Finding. • ML 2020-2 Renewal and Replacement Reserves: lack of system to clearly track and document the maximum amount of reserves for Water System Enterprise Fund.	• ML 2020-01 Purchase Method of Accounting for Inventory and Prepaid Items (ML2019-01). • ML 2020-2 Renewal and Replacement Reserves: lack of system to clearly track and document the maximum amount of reserves for Water System Enterprise Fund. (ML2019-03).	• ML 2019-01 Purchase Method of Accounting for Inventory and Prepaid Items including Sheriff's office different accounting treatments. • ML 2019-02 Capital Assets Accounting and Reporting including delays in communicating project completion and transferring costs out of construction in progress to fixed assets. • ML 2019-03 Renewal and Replacement Reserves: Water System Enterprise Fund. • ML 2019-04 Workers' Compensation – Presumptive Illness Claims.
Repeat ML Comments?	• Yes	• Yes	• Yes

FIGURE 6-3: *Summary of External Audit Reports Findings – Fiscal Year 2021 and Fiscal Year 2020.*
Source: Hillsborough County, Audited Annual Financial Statements.

Board of County Commissioners County Internal Auditor's Office

The County Internal Auditor's Office operates in conformance with the International Standards for the Professional Practice of Internal Auditing. These Standards require that the County Internal Auditor's Office plan and perform engagements to obtain sufficient, appropriate evidence to provide a reasonable basis for the audit comments and conclusions based on the audit objectives. These standards also require the County internal auditor to communicate results to parties who can ensure that the results are given due consideration and establish and maintain a system to monitor the disposition of results communicated to management.

During the annual Risk Assessment & Planning process, the Internal Audit Team reviews the Federal and State Single Audit Report issued by the County's external financial auditor to determine whether there are any reoccurring material audit issues reported. According to the internal auditor, if reoccurring material audit issues are identified, the Internal Audit Team monitors management's corrective action and reports quarterly to the County Internal Audit Committee the status of management's corrective action.

The MJ Team reviewed the following documentation of processes performed by the County internal auditor:

- Audit Plans for Calendar Years 2020, 2021, and 2022
- Example Business Overview and Internal Controls Checklist
- Final Communication Tracking Spreadsheet
- County Internal Auditor's policy on Risk Assessment, Annual Planning and Scheduling last revised on February 7, 2022
- Risk Analysis and Planning Results Calendar Year 2021
- Risk Analysis Calendar Year 2022 which includes reference to the external auditor's repeat financial audit findings for Fiscal Year 2020

The Clerk's County Audit Department is established to operate in compliance with the standards set forth in the International Professional Practices Framework. These standards require that the Clerk's County Audit Department communicate the results of audit engagements to the appropriate parties and monitor the action taken by management in response to any audit recommendation.

As part of each annual audit plan, the County Audit Department conducts continuous monitoring for various expenditures throughout the County. The objective of this continuous monitoring process is to periodically evaluate whether key financial controls are in place and functioning adequately. As part of this effort, the audit team completed a review of expenditures pertaining to a construction contract and reported the results on November 5, 2020. The contract related to the design-build of the Northwest Regional Water Reclamation Facility Expansion. The total amount of this contract, after modifications and change orders, was $193,175,506. The review included expenditures paid since the Notice-to-Proceed date of April 1, 2016.

The Audit Team identified 54 payments to the contractor and selected a sample of 10 for testing. The value of the expenditures tested was $36,519,998. This testing included:

- Identifying specific requirements and/or deliverables stipulated in the agreement
- Reviewing supporting documentation from for each expenditure in the selected sample of expenditures
- Testing supporting documentation for the following attributes:
  - The Application for Payment was submitted with a payment request
  - Application for Payment was completed accurately and signed by the contractor
  - Application for Payment was reviewed and approved by designated County employee, as evidenced by signature on the Application for Payment. Proper retainage amount was withheld
  - Subcontractor's Statement of Satisfaction was submitted with payment
  - Requested payment amount was calculated correctly.
  - Requested payment amount was supported by the Schedule of Values attached to the Application for Payment.

The continuous monitoring result indicated no exceptions and identified an isolated carryforward error in the Schedule of Values which did not result in a payment discrepancy. While such expenditure reviews are an effective component of the internal control environment, only one contract was reviewed.

The MJ Team reviewed the following documentation of processes performed by the Clerk's County Audit Department:

- Audit Plans for Fiscal Years 2020, 2021, and 2022
- Risk Analysis and Planning Results Fiscal Year 2021

The MJ Team reviewed the Clerk's County Audit Department's BOCC Status Report dated June 24, 2021, which includes the status of management corrective action plans as of the end of the quarter.

Capital Improvement Project Planning and Budgeting

- The Office of Management and Budget is responsible for developing and maintaining a balanced budget, monitoring, and analyzing ongoing fiscal and operational activity, and producing management documents and reports to assist leadership and the County Commissioners in financial planning and maximizing the allocation of resources. The department generates budget versus actual expenditures reports to monitor the budget status.

Contract Management

- The Purchasing and Contracts Program serves as the central purchasing office for the County and controls the County's spend on goods, services, and construction while ensuring compliance with all applicable local, state, and federal purchasing laws in addition to County policies and procedures. The Program facilitates the procurement process (formal and informal) as well as the oversight of contracts (negotiation, issuance, administration) across the County.

- Every contractual document goes through legal review before being executed by the vendor, then it goes Legal for final review and 'approval as to form' before being approved/signed by the County Manager or the Commission Chair.

Policies and Procedures

- Key policies related to the potential sales surtax funds include the County's administrative codes and departmental policies and procedures manuals.

- The County's Administrative Procedures include the Financial Policies dated over 10 years ago. As shown in **Figure 6-4**, documented policies and procedures include the following policies dated from 1980 without evidence of a periodic review and update.

Policy & Procedure	Last Review Date/ Effective Date
Financial Policies and Procedures	
Grants Administration	02/19/2014
Bids for Capital Improvement Projects 10% or More In Excess of Estimated Construction Costs	07/02/1980
Capital Budget and Capital Improvement Program	01/17/2001
Performance Measurement	07/08/1998
Departmental Policy and Procedures	
Procurement Policy	10/01/2017
Procurement Procedures Manual	10/01/2017 with revisions in track changes 11/24/2021

FIGURE: 6-4: *Key Policies and Procedures.*
Source: County Website.
https://mediaweb.hillsboroughcounty.org/Docs/BOCC/Policies/Financial%20and%20Fiscal/03020100.PDF.

Internal Control Questionnaire

In addition to reviewing policies and procedures, the MJ Team submitted an Internal Control Questionnaire to key management positions. **Figure 6-5** presents a summary of the responses which indicate various internal control strengths. The responses indicated no concerns regarding the internal control environment.

Area	Segregation of Duties/ Business Process –Strengths	Additional Comments
Purchasing	Audits have confirmed existence of competitive bidding process.	None
Payroll	Prior audits have confirmed the existence of workflows within the Oracle Financial System.	None
Accounts Payable	Expenditure testing is a component of most audits performed. No material concerns.	None
Cash Management	No comments.	None
Contracts Management	Prior audits have indicated that contracts are reviewed and approved by the appropriate levels of management.	None
Cash Management	No comments.	None
Overall Internal Controls	N/A	1. Vendor selection using competitive bidding process and BOCC approval for purchases greater than $250,000. 2. Oracle segregation of duties between vendor creation, requisition creation, requisition approval, and invoice payment. 3. Contract and grant management activities, i.e., retaining support documentation, reconciliations, supervisor reviews, etc. performed by individual departments. 4. Segregation of duties between Board and Clerk functions, for example, changes to employee compensation and issuing pay checks, approving Board invoices and approving payments.
Aware of any areas of noncompliance?	N/A	No

FIGURE 6-5: *Summary of Internal Control Questionnaire Responses.*
Source: Responses to MJ Team Internal Control Questionnaire.

As a best practice, some counties schedule an annual meeting on the Board's calendar to review and approve revisions to policies and procedures. The first page of the policy includes the last review date and the new effective date.

> **RECOMMENDATION 6.2 – County - Review and update financial policies especially those over 10 years old.**

> **SUBTASK 6.3 – Determine whether program administrators have taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.**

OVERALL CONCLUSION

Overall, this subtask is partially met. To reach this conclusion the MJ Team reviewed the external audit reports for Fiscal Year 2021 and Fiscal Year 2020 noting two repeat management letter comments and also the lack of documentation of implementation of the current year corrective action plan.

ANALYSIS

To address the requirements of this subtask, the MJ Team interviewed the County Internal Auditor who reports to the BOCC and the auditor who reports to the Clerk of the Circuit Court . We also reviewed the audit reports for FY2021 and FY2020 noting two repeat findings.

Figure 6-6 presents the implementation status of the external auditor's recommendations including two repeat management letter observations in the following areas:

- ML 2020-01 Purchase Method of Accounting for Inventory and Prepaid Items
- ML 2020-2 Renewal and Replacement Reserves

External Audit Report Finding/Management Letter Comment	External Audit Recommendation	County's Response	County Corrective Action(s) and Date Completed
ML 2020-01 Purchase Method of Accounting for Inventory and Prepaid Items: inconsistent accounting policies by County vs Sheriff's Office. *Repeat from 2019-2021.*	Review policies and procedures to identify GAAP departures and ensure consistent accounting methods.	Concur with recommendation.	The County is not required to take action on management letter comments even when the County agrees with the comment. Therefore, this comment has not been addressed – as we are not required to. In addition, this was a finding given to the Hillsborough County Sheriff which is a separate legal entity of the County. This Management Letter comment was given to the County because the Sherriff financial statements roll up into the ACFR. The responsibility of this lies with the Sheriff.

External Audit Report Finding/Management Letter Comment	External Audit Recommendation	County's Response	County Corrective Action(s) and Date Completed
ML 2020-2 Renewal and Replacement Reserves: lack of system to clearly track and document the maximum amount of reserves for Water System Enterprise Fund. *Repeat from 2019-2021.*	Follow up with independent consultant to analyze amount required to be in renewal and replacement account for Water System.	Concur with recommendation.	The County is not required to take action on management letter comments even when the County agrees with the comment. Therefore, this comment has not been addressed – we are not required to.
2021-001 Federal Awards and State Assistance. County expenditures included in schedule of federal and state awards and overstatement of expenditures. *Not a repeat finding.*	Review policies and procedures over preparation and schedule of expenditures of federal awards and state assistance. Review procedures should be designed to identify the completeness and accuracy of the schedules, including review expenditures to ensure that matching costs are not included.	Agrees. Effective for Fiscal Year 2022, more procedures added. Departments will be required to submit their report expenditures versus grants to County Finance.	The County has not fully addressed this finding as we have not prepared the Schedule of Expenditures of Federal Awards for FY22. The current plan for addressing this comment is to send an email *requiring* departments to submit their matching dollars (if applicable) to County Finance. Departments with matching grants will be required to submit their report of expenditures of matching funds versus grants funds to County Finance by a certain date to ensure that County Finance is reporting the Schedule of Expenditures of Federal Awards net of matching funds.

FIGURE 6-6: *Review of corrective actions for reasonableness and timeliness*
Source: Annual Financial Statements for Fiscal Years 2021 and 2020.

Although the Fiscal Year 2022 Schedule of Expenditures for Federal Awards is not yet prepared, the corrective active recommendation includes documenting the policy and procedures to incorporate appropriate review procedures to ensure accuracy and completeness of the Schedule of Expenditures of Federal Awards and State Assistance. In addition, the lack of a corrective action plan for management letter observations which documents whether corrective action will be implemented increases the likelihood of repeat comments. In addition, management's response for three consecutive years was "Management concurs with the recommendation" which implies that corrective actions planned to be implemented.

> **RECOMMENDATION 6.3 – Office of Clerk - Continue to monitor and implement action plans to correct repeat management letter comments and resolve the current year audit finding.**

SUBTASK 6.4 – Determine whether program administrators have taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations.

OVERALL CONCLUSION

The MJ Team did not divide Subtask 6.4 into separate program areas because planned uses of the Surtax being in compliance with applicable state laws, rules, and regulations applies to the whole County.

To address the requirements of this subtask, Team MJ interviewed the senior assistant county attorney and the PW director. We also examined a timeline of BOCC meetings relevant to the surtax; Board of County Commissioners (BOCC) workshop materials related to transportation issues; s. 212.055(1), *Florida Statues*-Charter County and Regional Transportation System Surtax; and Hillsborough County Ordinance Number 22-9, adopted by the BOCC on April 20, 2022. This information demonstrates that program administrators took reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations. Therefore, this subtask is met.

ANALYSIS

BOCC Surtax Deliberations

The BOCC and program administrators took reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations as evidenced by their deliberations before adoption of the surtax ordinance. **Figure 6-7** provides evidence of these deliberations.
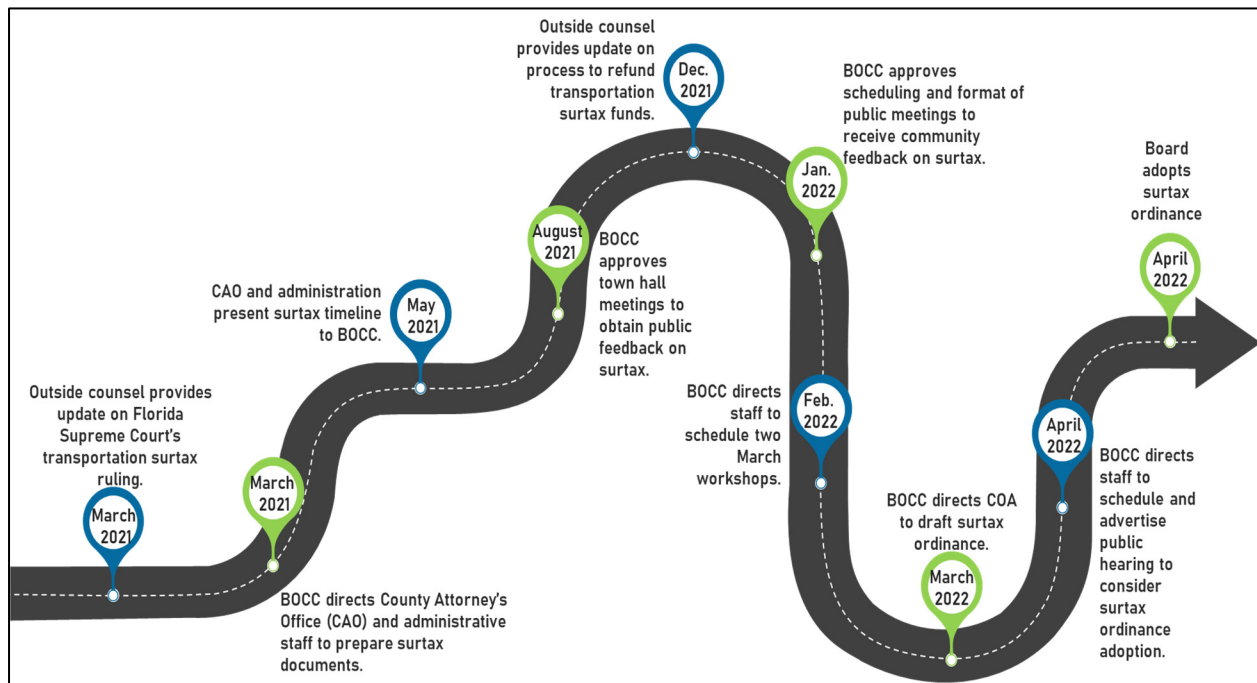
FIGURE 6-7: *The BOCC and administrators took reasonable and timely actions leading to the adoption of the transportation surtax.*
Source: Synopsis of BOCC regular meeting minutes provided by the County.

The County advertised a public hearing for April 20, 2022, to consider enacting an ordinance levying a one percent (1%) discretionary transportation system sales surtax and providing for a referendum on the proposed levy of the surtax. The BOCC conducted the following workshops to discuss issues relevant to the surtax:

1. **January 27, 2021, BOCC Workshop** – Transportation CIP Overview

   - Presentation by Management & Budget on financial status of transportation capital program.

2. **May 26, 2021, BOCC Workshop** – Transportation Asset Preservation

   - Details on County goals for preserving existing transportation infrastructure.

3. **September 23, 2021, BOCC Workshop** – Transportation – Building & Improving the System

   - Long-term plan for building and improving the transportation system, including process for screening and identifying projects, the goals and outcomes of the programs, and the necessary funding to achieve them.

4. **March 10, 2022** – Transportation Workshop

- Combined workshop including partner agencies. Presentations by County, the three cities, HART, and the Transportation Planning Organization. Also includes community comments from open house meetings.

Surtax and Ordinance

The BOCC adopted Ordinance No. 22-9 on April 20, 2022, levying a one percent (1%) discretionary transportation system sales surtax for thirty (30) years beginning January 1, 2023, subject to the approval of County voters.

HILLSBOROUGH COUNTY – MANAGEMENT COMMENTS

Hillsborough County Florida

COUNTY ADMINISTRATOR
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BOARD OF COUNTY COMMISSIONERS
Harry Cohen
Ken Hagan
Pat Kemp
Gwendolyn "Gwen" Myers
Kimberly Overman
Mariella Smith
Stacy R. White
COUNTY ADMINISTRATOR
Bonnie M. Wise
COUNTY ATTORNEY
Christine M. Beck
COUNTY INTERNAL AUDITOR
Peggy Caskey

August 29, 2022

Mr. Gilbert Hopkins, CPA
McConnell Jones LLP
Certified Public Accountants
4828 Loop Central Dr., Suite 1000
Houston, TX 77081

RE: Management Response – Surtax Performance Audit Report

Dear Mr. Hopkins:

Hillsborough County welcomes the opportunity to respond to its portion of the Performance Audit Report of Hillsborough County and the Hillsborough Area Regional Transit Authority by McConnell Jones LLP.

We are pleased that the results of the Performance Audit validate the County's ability to deliver a full range of transportation programs and infrastructure projects to meet the needs of our citizens, visitors, and businesses if voters approve the Transportation Surtax Referendum on Nov. 8, 2022. This audit reviewed six areas of program delivery and the 25 associated subtasks. Hillsborough County fully met the objectives of 21 subtasks and partially met the remaining four. To address the partially met Tasks 1.6, 4.2, and 6.2, the County will revise the relevant policies and procedures that McConnell Jones LLP identified. The response for Task 6.3 is provided by the Office of the Clerk of Court and Comptroller.

We appreciate the rigorous, methodical, and timely examination of our programs by McConnell Jones LLP throughout the audit process. Hillsborough County greatly values the opportunity to have our program delivery professionally evaluated, welcomes feedback, and looks forward to fully addressing your thoughtful recommendations promptly, with actions that will ensure we meet the needs of our citizens.

HCFLGOV.NET

Mr. Gilbert Hopkins, CPA
August 29, 2022
Page 2

Your review clearly demonstrates that the County has the resources and expertise to successfully implement the programs needed to enhance the economy, increase public mobility and safety, and enable our citizens to achieve more prosperity. In conclusion, your audit and findings will bolster citizen confidence in Hillsborough County government – trust that we hold dear and strive to increase every day.

Thank you again for your partnership throughout this exceptional Performance Audit Report process.

Sincerely

Bonnie M. Wise
County Administrator

Attachment

Cc: Board of County Commissioners
        Christine Beck, County Attorney
        Peggy Caskey, County Internal Auditor
        Cindy Stuart, Clerk of Court and Comptroller

Attachment

August 29, 2022

Hillsborough County Management Response to the Performance Audit

Research Task 1 – The Economy, Efficiency, or Effectiveness of the Program.

Finding Summary: Overall, Hillsborough County Meets Research Task 1

Research Subtask 1.6: Evaluate the cost, timing, and quality of current program efforts based on a reasonably sized sample of projects to determine whether they were of reasonable cost and completed well, on time, and within budget.

Conclusion: Partially Met

Recommendation: Ensure that change orders are approved by the BOCC prior to incurring additional costs and extending the project timeline for Punch List items and the Final Completion Letter is submitted in accordance with County policy.

Hillsborough County Response

Hillsborough County concurs with Research Subtask 1.6 recommendation. The requested documents were provided on follow up. The final change order for the Citrus Park Drive project is slated to go before the Board of County Commissioners in September 2022. This final change order to the construction contract represents a final reconciliation of all contract unit price work performed and some unforeseen additional work items that were necessary to accomplish the intent of the original Board approved contract. The County will examine its Policies and Procedures relative to the processing of final change orders on construction contracts and revise as needed.

Research Task 4 – Goals, Objectives, and Performance Measures Used by the Program to Monitor and Report Program Accomplishments.

Finding Summary: Overall, Hillsborough County partially meets Research Task 4

Research Subtask 4.2: Assess the measures, if any, the County uses to evaluate program performance and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives.

Conclusion: Partially Met

Recommendation: Ensure that performance measures such as for bicycle and pedestrian infrastructure are developed, clearly documented and monitored.

1

Hillsborough County Response

Hillsborough County concurs with Research Subtask 4.2 recommendation. The current performance measures represent the initial work of a multiyear project to improve the safety of all roadway users, vehicles, bicyclists, and pedestrians. The project has numerous stakeholders that include: the community, various County Departments, the Hillsborough County Planning Commission, and the Transportation Planning Organization (TPO). As a result of these efforts, the County's updated Comprehensive Plan will include Level of Service objectives for pedestrian/bicycle facilities, and the TPO Long Range Transportation Plan (LRTP) will include projects/programs to enhance safety to meet the goals of the adopted Vision Zero plan.

Recommended bicycle safety improvements include additional pavement markings to "share the road", creating buffered bike lanes where appropriate, adding additional signage to make drivers aware of the presence of bicyclists, and identifying future multiuse paths. Recommended pedestrian safety improvements include emphasized crosswalks, signage and flashing beacons, new sidewalks, and additional street lighting. With limited available funding projects of this nature are being implemented. The County will develop additional performance measures that tie goals of improved safety to the implementation of these projects.

Research Task 6 – Compliance of the Program with Appropriate Policies, Rules and Laws.

Finding Summary: Overall, Hillsborough County partially meets Research Task 6

Research Subtask 6.2: Review program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures.

Conclusion: Partially Met

Recommendation: County - Review and update financial policies especially those over 10 years.

Hillsborough County Response

Hillsborough County concurs with Research Subtask 6.2 recommendation. The County does periodically add, revise, or rescind County Policies when appropriate. For example, three financial policies were revised with Board approval during the July 20, 2022, regular Board meeting. Item A-39 revised Board Policy 03.02.02.09, User Fees and Cost Recovery. Item A-42 revised Board Policy 03.02.02.04, Self-Insurance Fund. Item A-43 revised Board Policy 03.03.08.00, Claims Committee Authorization. On December 8, 2021, item A-62 rescinded Board Policy 03.05.09.00, Ten Year Commitment to Increase Funding for Transportation - Budget Preparation.

The County will document policy review dates to facilitate better tracking.

2

Research Subtask 6.3: Determine whether program administrators have taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.

Conclusion: Partially Met

Overall, this subtask is partially met. To reach this conclusion the MJ Team reviewed the external audit reports for Fiscal Year 2021 and Fiscal Year 2020 noting two repeat management letter comments and also the lack of documentation of the current year corrective action plan. (Suggested change to Performance Audit Draft Final Report per discussion MJ Consulting Manager, Clerk Finance, PW ACA 8/29/22)

Recommendation: Continue to monitor and implement action plans to correct repeat management letter comments and resolve the current year audit finding. (Suggested change to Performance Audit Draft Final Report per discussion MJ Consulting Manager, Clerk Finance, PW ACA 8/29/22)

Hillsborough County Response – Clerk of Court and Comptroller

Hillsborough County does not concur with the findings for Research Task 6.3 because Fiscal Year 2022 financial reporting will start in later in Fiscal Year 2022 and continue into Fiscal Year 2023.

Management Letter comments are simply recommendations from the external auditors. Hillsborough County evaluates management letter comments and determines if they should be implementing based on cost-benefit analyses, etc. As a result, the County may concur with a recommendation but determine that implementation is not feasible, practical or appropriate until a later time. There is no responsibility of the County to implement management letter comments.

As it relates to the Fiscal Year 2021 audit finding, there was a written corrective action plan documented in the Fiscal Year 2021 audit report submitted to the State of Florida. This corrective action plan will be implemented later during this fiscal year as a part of the financial reporting process.

3

SECTION 2 – HILLSBOROUGH TRANSIT AUTHORITY

HILLSBOROUGH TRANSIT AUTHORITY EXECUTIVE SUMMARY

HART OVERVIEW

This section of the report presents the results of Hillsborough Transit Authority's (HART) surtax performance audit. Although HART serves residents of the County and surrounding areas, it is not an organizational unit of the County. HART is an independent special district created under Chapter 163, Part V, *Florida Statutes*. HART was created in October of 1979 to plan, finance, acquire, construct, operate and maintain mass transit facilities and supply transportation assistance in Hillsborough County.

Hillsborough County is a member of HART. As such, four Hillsborough County Commissioners currently serve on the HART Board. However, HART develops its own budget and manages its own finances separate from the County.

Section 212.055(1), *Florida Statutes*, authorizes counties to levy a discretionary sales surtax subject to approval by a majority vote of the electorate of the county. On April 20, 2022, the Hillsborough County BOCC adopted Ordinance Number 22-9 to place a one percent sales surtax on the November 8, 2022 ballot which provides for the amount of surtax funds to be distributed to HART and how such funds are to be used by HART.

The ordinance stipulates that HART's surtax-funded public transportation projects are to be consistent with HART's Transportation Development Plan, which HART developed in 2017. It provides a strategic view of transit operations within the service area and HART's plan to develop different aspects from service area, routes, maintenance, and infrastructure to support these efforts over the next 10 years.

As required by the ordinance. the Clerk of the Circuit Court of Hillsborough County, a constitutional officer separate and apart from Hillsborough County, is required to transfer 45 percent of the surtax proceeds to HART. There is no direct interdependence between the County and HART with respect to finances or other resources. Each entity has separate accountability structures/oversight for the surtax funds, internal control structure, and legal compliance.

HART provides public transportation for Hillsborough County. The primary responsibilities of HART are to plan, finance, acquire, construct, operate and maintain mass transit facilities. HART is comprised of three member jurisdictions: Hillsborough County, the City of Tampa, and the City of Temple Terrace. HART is the primary mode of public transportation in Hillsborough County.

HART provides transportation services, including local fixed route, limited express and express bus service, MetroRapid North-South line, HARTFlex service, and HARTPlus paratransit services, and operates the TECO Line Streetcar. With a fleet of over 200 buses, HART covers a service area of approximately 1,000 square miles.

The authorizing legislation provides that HART may contract for the services of attorneys, engineers, and consultants to provide necessary services including engineering, architectural

design, management, transportation planning, and other studies concerning the design of facilities and the acquisition, construction, extension, operation, maintenance, and financing of transportation systems in the HART service area.

HART OPERATING BUDGET OVERVIEW

Figure ES-1 displays HART's Operating Revenues from the Fiscal Year 2021 Amended Budget and the Fiscal Year 2022 Adopted Budget. HART's Fiscal Year 2022 Total Operating Revenues totaled $105,635,020, representing a $6,3999,630 increase from the Fiscal Year 2021 Amended Budget.

Operating Revenues	FY2021 Budget Amended	FY2022 Budget Adopted	FY22 vs. FY21 Variance
Ad Valorem Tax Revenue [1]	$52,659,860	$56,947,073	$4,287,213
Ad Valorem Transfers	($9,363,884)	($967,073)	$8,396,811
Federal Operating Grants-CARES Act	$23,309,263	$0	($23,309,263)
Federal Operating Grants-CRRSAA		$15,747,731	$15,747,731
Federal Operating Grants	$12,662,218	$12,332,667	($329,551)
State Operating Grants	$6,842,118	$8,553,144	$1,711,026
Fare/Pass Revenues	$5,002,161	$8,088,700	$3,086,539
Local Contributions	$676,000	$2,329,020	$1,653,020
Advertising Income	$1,556,542	$1,233,398	($323,144)
Other Income	$1,015,717	$956,000	($59,717)
Tampa Historic Streetcar, Inc.	$763,750	$339,960	($423,790)
Interest Income	$75,611	$74,400	($1,212)
Fund Balance/Reserves	$4,036,033	$0	($4,036,033)
Total Operating Revenues	**$99,235,390**	**$105,635,020**	**$6,399,630**

FIGURE ES-1: *HART's Operating Budget Overview, Fiscal Years 2021 and 2022.*
Source: HART's Fiscal Year 2021 Amended Budget and Fiscal Year 2022 Adopted Budget.

Figure ES-2 displays the Operating Expenses in the Fiscal Year 2021 Amended Budget and the Fiscal Year 2022 Adopted Budget. HART's Fiscal Year 2022 Total Operating Expenses totaled $105,635,020, representing a $6,399,630 increase from the Fiscal Year 2021 Amended Budget.

Operating Expenses	FY2021 Budget Amended	FY2022 Budget Adopted	FY22 vs. FY21 Variance
Salaries and Wages	$51,438,845	$51,846,768	$407,923
Fringe Benefits	$10,783,310	$11,312,943	$529,633
Health Care [1]	$9,214,480	$9,919,061	$704,581
Operational Contract Services	$7,840,562	$10,430,812	$2,590,250
Parts and Supplies	$5,436,050	$5,427,326	($8,724)
Insurance Costs	$3,944,568	$4,500,041	$555,473
Fuel and Oil	$3,621,072	$4,371,483	$750,411
Administrative Other	$2,610,673	$3,046,130	$435,457
Administrative Contract Services	$1,125,729	$1,551,174	$425,445
Legal Services	$1,329,765	$1,321,038	($8,727)
Utilities	$898,193	$937,140	$38,947
Marketing and Printing	$613,655	$658,151	$44,496
Taxes and Fees	$378,489	$312,953	($65,536)
Total Operating Expenses	**$99,235,390**	**$105,635,020**	**$6,399,630**

[1] net of employee contribution for healthcare premium

FIGURE ES-2: *HART's Operating Expenses, Fiscal Years 2021 and 2022.*
Source: HART's Fiscal Year 2021 Amended Budget and Fiscal Year 2022 Adopted Budget.

DISCRETIONARY SALES SURTAX

According to the State of Florida Department of Revenue website, a half-cent infrastructure tax program funded by a discretionary sales surtax (DSS) is imposed by most Florida counties and applies to most transactions subject to sales tax. The State of Florida Department of Revenue collects and distributes the sales surtax to counties and municipalities based on the state's sales tax formula. Each county is responsible for administering the funds it receives. During the April 20, 2022, Commission Meeting, the Hillsborough County BOCC voted 5 to 2 to send to referendum a proposed one percent transportation surtax ordinance for voter approval on the November Ballot.

GOVERNANCE IMPLICATIONS OF SURTAX PASSAGE

Under Florida state law, Hillsborough County's BOCC are responsible for administration of the surtax funds, if the referendum passes. The referendum provides for the collection, distribution and use of the sales surtax proceeds that will be used for road improvements, alternative transportation facilities, and infrastructure.

Hillsborough County Ordinance 22-9 would levy a one percent sales surtax for thirty (30) years, commencing on January 1, 2023. As permitted by Sales Surtax Law, the Board of County Commissioners allocates 54.5% of the Surtax Proceeds, also known as the "General Purpose Portion", to Hillsborough County and each Municipality in accordance with their relative populations. At least 27% of the General Purpose Portion shall be expended upon projects that improve, repair and maintain existing streets, roads and bridges or also reduce congestion and transportation vulnerabilities. Similarly, at least 26% of the General Purpose Portion shall be expended to relieve rush hour bottlenecks and improve the flow of traffic on existing roads and

streets. No less than 12% of this portion is to be expended on bicycle and pedestrian infrastructure related improvements. And any remaining portions of the Transit Restricted Portion shall be spent on any project to improve public transportation permitted by *Florida Statutes* or Ordinance 22-9.

Another 45% of the Surtax Proceeds, the "Transit Restricted Portion", would be allocated to HART for the planning, development, construction, operation, and maintenance of public transportation projects located solely in Hillsborough County. Of the Transit Restricted Portion, no less than 45% of the funds shall be spent on enhancing bus services. No less than 25% shall be spent on transit services that utilize exclusive transit right-of-way for at least 50% of the applicable service. And any remaining portions of the Transit Restricted Portion shall be spent on any project to improve public transportation permitted by *Florida Statutes* or Ordinance 22-9.

The remaining .5% of the Surtax Proceeds is allocated by the Clerk for the "Planning and Development Portion". This includes data collection, analysis, planning, and grant funding to assist other Agencies carrying out the projects.

AUDIT OBJECTIVE

McConnell & Jones LLP (the MJ Team) completed a performance audit of the County and HART. The objective of the audit was to fulfill the requirements of s. 212.055(11), *Florida Statutes*. This statute requires that Florida local governments, with a referendum on the discretionary sales surtax held after March 23, 2018, undergo a performance audit conducted of the program associated with the proposed surtax adoption. The audit must be conducted at least 60 days before the referendum is held.

Specific audit objectives are consistent with the requirements of the statute, which are to evaluate the program associated with the proposed surtax adoption based on the following criteria:

1. The economy, efficiency, or effectiveness of the program;

2. The structure or design of the program to accomplish its goals and objectives;

3. Alternative methods of providing services or products;

4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments;

5. The accuracy or adequacy of public documents, reports, and requests prepared by the County which relate to the program; and

6. Compliance of the program with appropriate policies, rules, and laws.

PROJECT SCOPE

In accordance with s. 212.055(11), *Florida Statutes*, and Government Auditing Standards (2018 Revision) issued by the Comptroller General of the United States, the certified public accountant must conduct a performance audit of Hillsborough County and HART program areas within the administrative unit(s) which will receive funds through the referenda approved in the County's final resolution.

The performance audit must evaluate the following program areas:

1) County administrative units responsible for planning, development, construction, operations, and maintenance of roads, bridges, sidewalks, intersections, and public transportation;

2) HART planning, development, construction, operations and maintenance of public transportation, including enhancing bus services and expanding public transit options.

METHODOLOGY

Fieldwork was conducted from July 7-July 29, 2022. The MJ team conducted over 30 interviews and focus groups with executive and management-level staff from Hillsborough County Administration, Public Works (PW,) and HART. In addition, audit team members reviewed relevant operational and financial data and reports in order to document and report findings and conclusions.

Because the referendum has not actually been voted on or passed, we identified project funding similar to the surtax, such as Community Investment Tax funds, and examined projects supported by those funds as a means of determining the adequacy of the County's stewardship for managing and overseeing public dollars. The Community Investment Tax (CIT) rate is .5 percent, while the sales surtax rate will be 1 percent. The CIT is a one-half percent sales tax on the price of taxable goods, as defined by state statute, sold within the County. Approved for a thirty-year period by public referendum in 1996. Use of this tax is restricted to acquiring, constructing, and improving infrastructure and purchasing equipment with a useful life of at least five (5) years to promote the health, safety, and welfare of Hillsborough County residents. This tax expires on November 30, 2026.

The CIT closely mimics the discretionary surtax in terms of how it is received, distributed, and reported. Should the referendum pass in November 2022, the County processes, procedures, systems, and controls that currently exist to administer CIT funds will be employed to administer and provide accountability over the discretionary surtax funds. Accordingly, our fieldwork review focused on existing processes, procedures, systems, and controls. It is these structures and systems to which the CIT is currently subject and to which the discretionary surtax will be subject.

For HART, the audit team reviewed federal and state grants with comparable administrative guidelines. These grants were funded by the Federal Transit Administration and the Florida Department of Transportation.

RESEARCH TASK 1 – The Economy, Efficiency, or Effectiveness of the Program.

<u>Finding Summary</u>: Overall, the Hillsborough Transit Authority (HART) meets Research Task 1.

The MJ Team reviewed HART operations associated with the surtax and determined that all program managers use various reports and data on a regular basis and that the information is adequate to monitor program performance and costs. HART has developed a rich portfolio of key performance indicators (KPIs) and uses them to periodically assess program performance and costs. HART evaluates performance and costs based on reasonable measures, including best practices. The cost, timing, and quality of current projects was evaluated using a sample of five projects. Except for one project which exceeded the planned contract date, projects were completed well, within budget, timely, and for reasonable costs compared to estimates. However, MJ determined that HART program administrators had not taken reasonable and timely actions to address findings and recommendations included in all audit reports. HART should establish a policy that requires development of a corrective action plan in response to findings and recommendations in any relevant internal or external report on program performance and cost. The plan should describe the findings and recommendations, management's responses, staff responsible for implementation, timeline, resource requirements, and other pertinent information. Lastly, HART demonstrated that it has established written policies and procedures to take maximum advantage of competitive bids.

FIGURE ES-2
SUMMARY OF HART RESEARCH RESULTS

Research Subtask	Conclusion	Recommendation
1. The Economy, Efficiency, or Effectiveness of the Program		
1.1	Met	None
1.2	Met	None
1.3	Met	None
1.4	Partially Met	**RECOMMENDATION 1.4 –** HART should provide evidence that the findings in the Florida Department of Transportation Safety and Security Audit Streetcar Department have been addressed.
1.5	Met	None
1.6	Met	None
1.7	Met	None

RESEARCH TASK 2 – The Structure or Design of the Program to Accomplish its Goals and Objectives.

<u>Finding Summary</u>: Overall, HART meets Research Task 2.

HART maintains an organizational structure that has clearly defined units, minimizes overlapping functions, and has no excessive administrative layers. The current turnover rate for non-bargaining positions (non-union) is 28% and the vacancy rate is 20%, which is high based on human resources best management practices. The employees covered under the collective bargaining agreement (union) make up nearly 83% of the current workforce at HART. As of July 2022, there are currently 37 vacant bus operator roles and the turnover rate based on a rolling 12-month period (July 1, 2021, through June 30, 2022) is at 20%. Strategies are underway to focus recruiting efforts on positions that are critical to providing and supporting the continuation of services to the community and business units, such as bus drivers. To address high turnover and vacancy rates, HART should continue to evaluate salary and wage rates to ensure they are competitive and refine recruitment and retention strategies and *consider* establishing goals to lower turnover and vacancy rates for all non-bargaining and collective bargaining employees to the suggested guideline of 10%.

FIGURE ES-3
SUMMARY OF HART RESEARCH RESULTS

Research Subtask	Conclusion	Recommendation
2. The Structure or Design of the Program to Accomplish its Goals and Objectives		
2.1	Met	None
2.2	Partially Met	**RECOMMENDATION 2.2 –** Continue to evaluate salary and wage rates to ensure they are competitive and refine recruitment and retention strategies and consider establishing goals to lower turnover and vacancy rates for all non-bargaining and collective bargaining employees to the suggested guideline of 10%.

RESEARCH TASK 3 – Alternative Methods of Providing Services or Products.

Finding Summary: Overall, HART meets Research Task 3.

HART program administrators have formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing services. An example described by HART staff was the decision to contract out payroll services rather than using in-house personnel. This decision saved approximately $500,000 annually and reduced the risk of non-compliance. Additionally, program administrators have made changes to service delivery methods when their evaluations/ assessments found that such changes would reduce program cost without significantly affecting the quality of services. The example of this approach is the review of the consultant contract for the preparation of the Transit Development Plan. Upon review, HART administrators determined in-house personnel would be able to perform certain tasks better and more cost effectively than having the consultant conduct such work. HART has a long tradition of working with its peers in the Tampa Bay area. HART has taken the lead in coordinating with Tampa Bay peers in procuring a regionwide fare system. The Flamingo Pass is in the final stages of implementation and will allow riders to use the same fare card throughout Tampa Bay. HART has also been the lead agency in the common fuel procurement contract, which is now entering its third option year for the current contract.

FIGURE ES-4
SUMMARY OF HART RESEARCH RESULTS

Research Subtask	Conclusion	Recommendation
3. Alternative Methods of Providing Services or Products		
3.1	Met	None
3.2	Met	None
3.3	Met	None
3.4	Met	None

RESEARCH TASK 4 – Goals, Objectives, and Performance Measures Used by the Program to Monitor and Report Program Accomplishments.

Finding Summary: Overall, HART partially meets Research Task 4.

Program goals and objectives for Transportation Operations and the Project Management Office are included in the Success Plan and are clearly stated, measurable, and consistent with HART's Transit Development Plan (TDP) or strategic plan. However, documentation was not provided to determine if goals and objectives can be achieved within budget. While HART uses various performance measures which provide progress toward meeting program goals and objectives, additional performance measures required in the TDP and Success Plan are not used to evaluate program performance and the Success Plan's Performance Scorecard lacks updating since Fiscal Year 2020. HART should ensure that all required performance measures are reported at least annually and document the required Capital Development performance measures including completing projects within schedule and budget. Internal controls such as policies and procedures provide reasonable assurance that program goals and objectives will be met.

FIGURE ES-5
SUMMARY OF HART RESEARCH RESULTS

Research Subtask	Conclusion	Recommendation
4. Goals, Objectives, and Performance Measures Used by the Program to Monitor and Report Program Accomplishments		
4.1	Partially Met	**RECOMMENDATION 4.1 –** Maintain documentation verifying that goals and objectives can be achieved within budget.
4.2	Partially Met	**RECOMMENDATION 4.2 –** Ensure that all required performance measures are reported at least annually and document the required Capital Development performance measures including completing projects within schedule and budget.
4.3	Met	None

RESEARCH TASK 5 – The Accuracy or Adequacy of Public Documents, Reports, and Requests Prepared by HART, which Relate to the Program.

<u>Finding Summary</u>: Overall, HART meets Research Task 5.

HART prepares and makes available in the public domain financial and non-financial information that is useful, adequate, and accurate. HART uses some internal data analytics to assess the adequacy of the data it provides to the public; however, a more formal evaluation process (report) to periodically evaluate the adequacy and accuracy of data is needed. This evaluation should address factors such as whether the information is relevant, useful, and reached its intended audiences. HART's website provides both adequate program performance and cost information. HART provided evidence that it has a process in place to ensure financial data available to the public is accurate and also has a process in place to ensure that incorrect, erroneous, and incomplete information is corrected in a timely manner.

FIGURE ES-6
SUMMARY OF HART RESEARCH RESULTS

Research Subtask	Conclusion	Recommendation
5. The Accuracy or Adequacy of Public Documents, Reports, and Requests Prepared by HART which, Relate to the Program		
5.1	Met	None
5.2	Partially Met	**RECOMMENDATION 5.2 –** Develop and implement a formal evaluation process (report) to periodically evaluate the adequacy and accuracy of data provided to the public after publication. This evaluation should address factors such as whether the information is relevant, useful, and reached its intended audiences. Evaluation standards should be created by all staff responsible for developing public documents.
5.3	Met	None
5.4	Met	None
5.5	Met	None

RESEARCH TASK 6 – Compliance of the Program with Appropriate Policies, Rules, and Laws.

<u>Finding Summary</u>: Overall, HART meets Research Task 6.

HART has a process to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies. HART has developed procedures manuals to comply with federal and state grants management requirements. HART prepares a five-year major Transit Development Plan (TDP) and completes an annual update in the form of a progress report each year. The TDP is required by the Florida Department of Transportation (FDOT) of transit agencies receiving federal and state grant programs. Federal transit grant recipients are required to obtain the services of an independent auditor to conduct a single audit each year. The CAFR completed on September 30, 2021, independent auditor did find a material weaknesses for the internal control over financial reporting. HART staff acknowledged the deficiencies, indicated acceptance, and documented the action taken to resolve the deficiency. The corrective action plan prepared by HART management to address the findings in the single audit demonstrates that management takes reasonable and timely actions to address any noncompliance identified by an external audit. HART has taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state, laws, rules and regulations. The Independent Oversight Committee has been established to ensure HART is meeting the requirements of the ordinance.

FIGURE ES-7
SUMMARY OF HART RESEARCH RESULTS

Research Subtask	Conclusion	Recommendation
6. Compliance of the Program with Appropriate Policies, Rules, and Laws		
6.1	Met	None
6.2	Met	None
6.3	Met	None
6.4	Met	None

PROGRAM DESCRIPTION AND MANAGEMENT

During the April 20, 2022, Commission Meeting, the Hillsborough County BOCC voted 5 to 2 to send to referendum a proposed one percent transportation surtax ordinance for voter approval on the November Ballot. Should voters approve the referendum, the HART departments presented in **Figure ES-8** will manage oversee, and use, the funds for the indicated programs.

FIGURE ES-8
SURTAX FUND PROGRAMS BY HART UNIT

Department	Programmatic Use
Transit Administration and Maintenance & Transportation Operations	Forty-five percent (45%) of the Surtax proceeds, the "Transit Restricted Portion", will be allocated for the planning, development, construction, operation, and maintenance of public transportation projects located solely in Hillsborough County. Of the Transit Restricted Portion, no less than 45% of the funds shall be spent on enhancing bus services. No less than 25% shall be spent on transit services that utilize exclusive transit right-of-way for at least 50% of the applicable service. And any remaining portions of the Transit Restricted Portion shall be spent on any project to improve public transportation permitted by *Florida Statutes* or Ordinance 22-9.

RESEARCH TASK 1

FINDING SUMMARY

THE ECONOMY, EFFICIENCY, OR EFFECTIVENESS OF THE PROGRAM.

Overall, HART meets Research Task 1.

The MJ Team reviewed HART operations associated with the surtax and determined that all program managers use various reports and data on a regular basis and that the information is adequate to monitor program performance and costs. HART has developed a rich portfolio of key performance indicators (KPIs) and uses them to periodically assess program performance and costs. HART evaluates performance and costs based on reasonable measures, including best practices. The cost, timing, and quality of current projects was evaluated using a sample of five projects. Except for one project which exceeded the planned contract date, projects were completed well, within budget, timely, and for reasonable costs compared to estimates. However, MJ determined that HART program administrators had not taken reasonable and timely actions to address findings and recommendations included in all audit reports. HART should establish a policy that requires development of a corrective action plan in response to findings and recommendations in any relevant internal or external report on program performance and cost. The plan should describe the findings and recommendations, management's responses, staff responsible for implementation, timeline, resource requirements, and other pertinent information. Lastly, HART demonstrated that it has established written policies and procedures to take maximum advantage of competitive bids.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 1.1 – Review any management reports/data that program administrators use on a regular basis and determine whether this information is adequate to monitor program performance and cost.

OVERALL CONCLUSION

Overall, HART meets Subtask 1.1. To reach this conclusion, the MJ Team met with HART program administrators and examined the Monthly Report; Transportation, Maintenance, and Service Development Report; Maintenance Department Monthly Summary; and Streetcar System Performance Report all of which demonstrate that HART program administrators use reports and data on a regular basis to monitor program performance and cost.

ANALYSIS

To address the requirement of this subtask, the MJ Team interviewed individuals in the following positions:

- Chief Delivery Officer, Capital Development

- Chief of Maintenance & Transportation
- Director of Transportation, Bus Operations
- Director of Streetcar Operations
- Director of Fleet Maintenance & Facilities
- Manager of Bus Operations, Bus Operations

The reports that HART program administrators provided in support of this subtask are discussed below.

MONTHLY REPORT

The Monthly Report is an update of HART's activities and provides a summary of customer service statistics; status of ongoing basic transit infrastructure projects; a summary of the communications and marketing efforts for the month; and risk management costs such as bodily injury, property damage, and worker's compensation. The monthly report also tracks ridership, maintenance, customer service, and capital development.

The MJ team reviewed the May 2022 monthly report, which shows operating statistics and program activities. The report also provides an overview of the Risk Department, Communications and Marketing, and COVID-19 activity updates.

Figure 1-1 provides an example of customer service statistics from the May 2022 Monthly Report. It shows that nearly half of customer complaints are related to employee behavior and the Flamingo Fares program. Flamingo Fares is a payment system that allows a rider to pay using a reloadable smart card or smartphone app and can be used across participating transit agencies in the region.

Customer Service
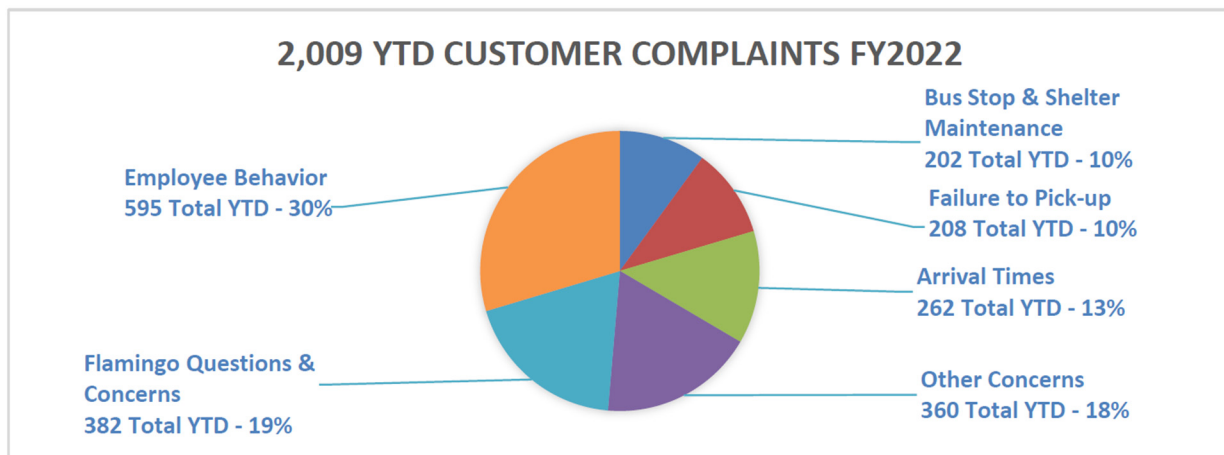
FIGURE 1-1: *HART's monthly report provides a variety of information that program administrators use on a regular basis and determine whether this information is adequate to monitor program performance and cost. Source: May 2022 Monthly Report.*

TRANSPORTATION, MAINTENANCE, AND SERVICE DEVELOPMENT REPORT

HART staff also produce an abbreviated report from the Monthly Report entitled the Transportation, Maintenance, and Service Development Report. Program managers use the abbreviated report to monitor program performance for the Transportation, Maintenance and Service Departments. Each month, HART staff present this report to the board of directors as an overview of monthly operating statistics. The report includes statistics such as bus on time performance (OTP), mean distance between failures for bus/van, fleet/facilities sanitation, number of preventative maintenance inspections, and passenger amenities.

In the Service Development section of the report, HART records ridership by mode as well as year-to-date and monthly metrics. This report enables program administrators for each of the three departments to focus on program performance for their particular area of responsibility. **Figure 1-2** provides an example of the May 2022 Transportation, Maintenance, and Service Development Report. It shows operational statistics as well as fleet and facilities maintenance information.

HART

MONTHLY REPORT

Transportation, Maintenance & Service Development ~ May 2022

Operations

Bus – On-Time Performance (OTP)	80%
Total Trips / Trips Completed %	44,716 / 99.82%

Fleet Maintenance Metrics

Mean Distance Between Failures (Bus / Van)	4,630 / 9,955
PM Compliance (Bus / Para & Flex)	99% / 100% / 100%

Sanitization

Fleet	4,654 (Total Vehicles)
Facility	3,334 (Hours)

Fleet Statistics

	Number of Vehicles	Total Miles	Preventative Maintenance Completed	Demand Work Orders Completed
Fixed Route	146	627,699	106	640
Flex Service	4	6,604	2	2
Paratransit	81	179,192	38	87
Streetcar	9	10,822	25	40

Facilities Maintenance

	Facility Maintenance	Passanger Amentites
Preventative Maintenance Completed	220	73
Demand Work Orders Completed	71	126
Scheduled Projects	4	3
Completed Projects	4	3

Prepared by:

Reviewed by:

Hillsborough Transit Authority (HART)

GoHART.org |
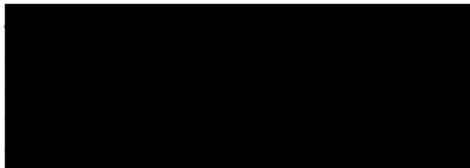
FIGURE 1-2: *Transportation, Maintenance, and Service Development Report-May 2022.*
Source: HART's Facilities Maintenance Department.

FIGURE 1-3: *The Maintenance Department Monthly Summary report compares costs for compressed national gas fueled vehicles against monthly maintenance cost for diesel fueled vehicles*
Source: Maintenance Department Monthly Summary, May 2022.

STREETCAR SYSTEM PERFORMANCE REPORT

HART staff produce a monthly Streetcar System Performance Report that shows system performance statistics, service details, ridership, and vehicle and infrastructure maintenance. The report provides a month-to-month synopsis of the operation and maintenance of the streetcar system. The report enables HART staff to track missed trips and the cause, OTP, monthly ridership trends, and service highlights. The director of streetcar operations develops the report and uses it to monitor monthly program performance. HART also presents the report to the Tampa Historic Streetcar, Inc., Board of Directors each month. The report is also available to anyone through the streetcar website at www.tecolinestreetcar.org.

> **SUBTASK 1.2 – Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.**

OVERALL CONCLUSION

Overall, HART meets Subtask 1.2. To reach this conclusion, the MJ Team interviewed the positions listed in Subtask 1.1 and examined KPIs that HART administrators use to perform periodic evaluations of program performance and costs.

ANALYSIS

HART's Transit Development Plan (TDP) contains a rich portfolio of KPIs including a description of the nature and purpose of each KPI. In 2017, HART administrators developed the TDP, which is the agency's strategic guide to provide public transportation over a 10-year period from Fiscal Year 2018 through Fiscal Year 2027. It represents the community's vision for public transportation across HART's service area.

Additionally, the TDP provides an action plan to reach transportation goals through Fiscal Year 2027. The plan describes HART's services in Hillsborough County and its connectivity to adjacent areas. It provides long-range plans for transit and mobility needs; cost and revenue projections; and community transit goals, objectives, and policies. **Figure 1-4** illustrates the TDP's eight public transit services goals and objectives.
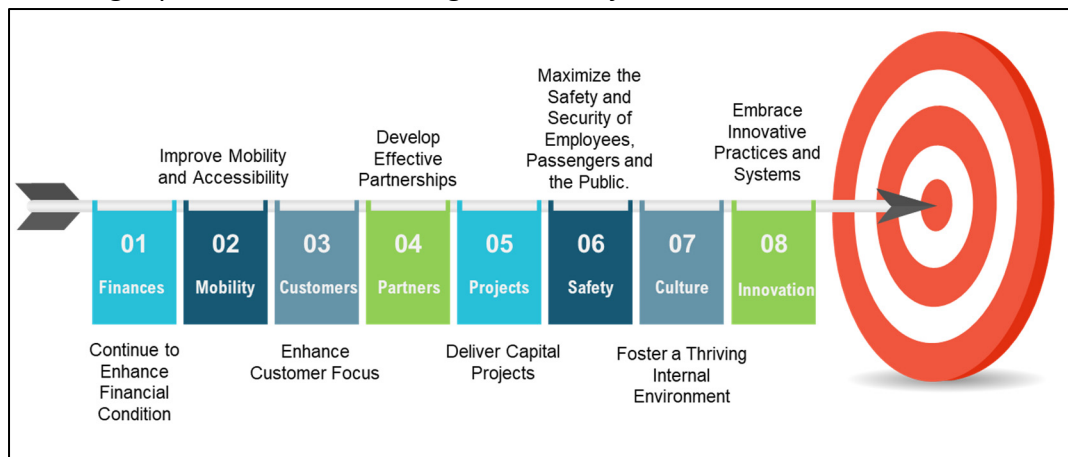
FIGURE 1-4: *HART's TDP contains eight overall public transit services goals and objectives. Source: Ten-Year Transit Development Plan-2017.*

The TDP contains KPIs and statistical information that HART program administrators use to evaluate the transportation program. Each month, program administrators collect and compile the data to compare KPI goals to actual performance. HART administrators developed the KPIs in the past and have used them to evaluate program performance since they were developed.

When the 2017 TDP was completed, HART had been collecting and using KPIs to assess program performance and costs. Since that time, collection of KPI data and program evaluations have continued.

Figure 1-5 provides an example of how HART used KPIs to assess program performance and costs prior to the 2017 TDP. HART program administrators divided KPIs into efficiency and effectiveness categories and used arrows to illustrate the desired trend. An assessment, based on the percentage change from 2011 to 2016, indicated whether the KPI showed improvement or not. For example, in **Figure 1-5**, vehicle miles per capita shows improvement while passenger trips per capital does not.

	Indicators	% Change 2011–2016	Desired Trend	Status
General	Service Area Population	6.5%	-	-
	Service Area Size (square miles)	4.9%	-	-
	Passenger Trips	-3.3%	-	-
	Passenger Miles	3.2%	-	-
	Vehicle Miles	8.1%	-	-
	Revenue Miles	9.5%	-	-
	Vehicle Hours	17.1%	-	-
	Route Miles	5.7%	-	-
	Total Operating Expense	19.8%	-	-
	Vehicles Available for Maximum Service	5.8%	-	-
	Total Gallons Consumed	12.5%	-	-
Effectiveness	Vehicle Miles per Capita	1.5%	↗	Improving
	Passenger Trips per Capita	-9.2%	↗	Not Improving
	Passenger Trips per Revenue Mile	-11.6%	↗	Not Improving
	Passenger Trips per Revenue Hour	-12.1%	↗	Not Improving
	Number of Vehicle System Failures	17.6%	↘	Not Improving
	Revenue Miles between Failures	-6.9%	↗	Not Improving
Efficiency	Operating Expense per Capita	12.5%	↘	Not Improving
	Operating Expense per Passenger Trip	16.3%	↘	Not Improving
	Operating Expense per Passenger Mile	16.1%	↘	Not Improving
	Operating Expense per Revenue Mile	9.5%	↘	Not Improving
	Farebox Recovery (%)	1.6%	↗	Improving
	Revenue Miles per Total Vehicles	3.5%	↗	Improving
	Vehicle Miles per Gallon	-3.9%	↗	Not Improving
	Average Fare	25.9%	↗	Improving

FIGURE 1-5: *Prior to 2017, HART program administrators used trend analysis with arrows showing the KPIs that were improving and those that were not*
Source: Ten-Year Transit Development Plan-2017.

Figure 1-6 provides an overview of the KPIs that HART program administrators currently use to evaluate program performance and costs as was done before the 2017 TDP was completed. The MJ Team examined worksheets demonstrating that these KPIs are collected monthly, compared against goals and actual performance, and rated as pass or fail each month and annually.

Key Performance Indicator	Definition	Used to Evaluate Program Performance and/or Costs?	Evaluation Benefit/Opportunity
Ridership	Number of passengers who board a public transportation vehicle.	Yes	By evaluating this KPI HART is able to better plan service to meet ridership needs.
Revenue miles between road failures	Total number of miles driven divided by vehicle failures in a period of time.	Yes	By evaluating this KPI, HART can identify maintenance issues that cause breakdowns and develop a plan to reduce the reoccurrence of the issues.
On-time performance	When a bus arrives at a bus stop within a certain time of its scheduled arrival. Never early and no later than 5 minutes, and is calculated by real time data captured on bus actual arrivals.	Yes	By evaluating on-time-performance, HART can make service adjustments and schedule changes to meet customer's reliability expectations.
Riders per Revenue Hour	Total number of riders divided by total revenue service hours provided.	Yes	By evaluating riders per revenue hour periodically, HART has the ability to evaluate service and make timely service hour increases and decreases where needed.
Riders per revenue mile	Total number of riders divided by total revenue service miles provided.	Yes	By evaluating riders per revenue mile periodically HART has the ability to evaluate service and make timely route changes.
Operating cost per trip	Total Operating cost divided by total ridership.	Yes	By evaluating operating cost per trip periodically by route, HART has the ability to quickly identify inefficient service and make necessary changes to improve overall system performance.
Operating cost per revenue hour	Total cost divided by revenue service hours.	Yes	By periodically evaluating cost per revenue hour by route, HART is can identify inefficient service and make appropriate service changes.

FIGURE 1-6: *HART administrators use KPIs to evaluate transportation program performance and costs.*
Source: Ten-Year Transit Development Plan-2017 and monthly KPI evaluation worksheets.

> **SUBTASK 1.3 – Review findings and recommendations included in any relevant internal or external reports on program performance and cost.**

> **SUBTASK 1.4 – Determine whether program administrators have taken reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc.**

OVERALL CONCLUSION

Subtasks 1.3 and 1.4 are assessed together in this section because they are so closely related. Overall, HART meets Subtask 1.3 since external audit reports were provided; however, Subtask 1.4 is partially met. To reach this conclusion, the MJ Team interviewed the positions listed in Subtask 1.1 and reviewed findings and recommendations in various audit reports that included findings and recommendations. We determined that HART program administrators had not taken reasonable and timely actions to address findings and recommendations included in all audit reports, which are discussed in the analysis section below.

ANALYSIS

Federal Transit Administration Fiscal Year 2022 and 2018 Triennial Review

The Federal Transit Administration (FTA) performs triennial reviews of recipients of Urbanized Area Formula Program funds. This program makes federal resources available to urbanized areas for transit capital, operating assistance in urbanized areas, and transportation-related planning. The triennial review is one of FTA's tools for examining grantee performance and adherence to FTA requirements and policies. It occurs once every three years and examines how recipients of Urbanized Area Formula Program funds meet statutory and administrative requirements. FTA performed a triennial review of HART in 2018 and 2022 and issued its 2018 report on May 21, 2018, and its 2022 report on June 10, 2022.

The 2022 Triennial Review focused on HART's compliance in 23 areas. Due to COVID-19, FTA expanded their 2022 review to assess HART's compliance with grant requirements related to COVID-19 relief funds that HART received. No deficiencies were found with FTA requirements in 15 of these areas. However, the FTA found six deficiencies in three categories: (1) Financial Management and Capacity, (2) Procurement, and (3) Disadvantaged Business Enterprise (DBE). FTA's report indicated that HART had implemented two of six corrective actions after FTA auditors had conducted their virtual site visit. HART had no repeat deficiencies from the Fiscal Year 2018 Triennial Review.

FTA issued its 2018 report on May 21, 2018. The report included findings and recommendations related to whether HART was administering grant funds in accordance with the requirements of federal public transportation law. FTA made the determination by examining a sample of award management and program implementation practices.

The 2018 review focused on HART's compliance in 20 areas. HART had deficiencies in five areas including Satisfactory Continuing Control, Disadvantage Business Enterprise (DBE),

Procurement, Americans with Disabilities Act (ADA)-General and ADA-Complimentary Paratransit. See **Figure 1-7** for an overview of HART's response to FTA's 2022 and 2018 Triennial reports.

FDOT Triennial Review 2021 Hillsborough Transit Authority (HART) Triennial Report

FDOT performs a triennial review of recipients of transportation funds under various state and federal programs. FDOT also uses the triennial review process to provide technical assistance to recipients. In 2021, FDOT performed a triennial review of HART in the following areas:

- Grant Management and Compliance
- Procurement
- Asset Management
- Vehicle Maintenance
- Safety Compliance

FDOT's report, dated October 7, 2021, cited 13 deficiencies, 7 areas of concern, and 2 observations/recommendations. See **Figure 1-7** for an overview of HART's response to the report.

FDOT Triennial Safety and Security Audit of Hillsborough Transit Authority Streetcar-2019

FDOT's Triennial Safety and Security Audit of HART Streetcar is an external review conducted every three years that provides recommendations and findings on HART's streetcar performance. FDOT and a safety, security, and operations consulting firm specializing in public transportation conducted a safety and security audit of HART's streetcar department in 2019.

The safety audit included a review of relevant documents, physical inspection of facilities and equipment, observations of service operations, and interviews with employees. The audit report, dated, October 4, 2019, identified 5 deficiencies, 14 areas of concern, and 14 observations.

FDOT found that HART had made significant improvements in safety, operations, and maintenance programs since FDOT had performed the prior 2012 and 2016 Triennial Audits. Upon delivery of the final 2016 report, HART had 30 calendar days, until August 31, 2016, to develop a corrective action plan and submit it to FDOT for approval. See **Figure 1-7** for an overview of HART's response to the 2019 report.

FDOT Vehicle Preventative Maintenance, Bus System and Security Reviews, Substance Abuse Reviews-2018

In 2018, FDOT conducted an external review of HART's vehicle Preventative Maintenance program, Bus System and Security program, and Substance Abuse Management policies and procedures. The purpose of the review was to identify strengths and weaknesses within HART's maintenance, safety, and substance abuse management procedures and practices and to provide recommendations for improvement.

FDOT reviewed maintenance files, vehicle inspections reports, transportation operating procedures, safety inspections, driver qualifications and training, drug and alcohol policies, operational and driving requirements, and the Transportation Operating Procedures manual. The review, performed in April 2018, identified 6 maintenance findings, 11 safety findings, and no substance findings. HART was required to complete corrective actions within 60 days of acceptance of the findings letter. See **Figure 1-7** for an overview of HART's response to the report.

Figure 1-7 provides an overview of these audit reports as well as whether HART program administrators took timely and reasonable actions to address the recommendations in the reports.

Audit Report Name	Reasonable and Timely Actions Taken?
Federal Transit Administration (FTA) Fiscal Year 2022 Triennial Review, June 10, 2022	**No** *Date of Report:* June 10, 2022 *Date of Corrective Actions:* August 10, 2022 *Actions Taken:* 2 of 6 recommendations closed out. The absence of evidence that HART administrators took reasonable actions to address all recommendations supports a finding of partially met for this subtask.
FDOT-Vehicle Preventative Maintenance, Bus System and Security, Substance Abuse Reviews, April 2018	**Yes** *Date:* April 16, 2018 *Date of Corrective Actions:* April 2018 *Action Taken:* HART incorporated its corrective action plan in the final report.
FDOT Triennial Review 2021 Hillsborough Transit Authority (HART) Triennial Report, October 2021	**No** *Date of Report:* October 7, 2021 *Date of Corrective Actions:* HART provided no evidence of implementation of the recommendations in the report. *Actions Taken:* The absence of evidence that HART administrators took reasonable actions to address the recommendations supports a finding of partially met for this subtask.
FDOT Triennial Safety and Security Audit of Hillsborough Transit Authority Streetcar, October 2019	**Yes** *Date:* October 4, 2019 *Date of Corrective Actions:* January 2022 *Actions Taken:* the MJ Team examined a FDOT HART Streetcar Department meeting agenda item that stated that FDOT had received the two remaining open corrective action plans and recommended closure of the review.

Audit Report Name	Reasonable and Timely Actions Taken?
Federal Transit Administration (FTA) Fiscal Year 2018 Triennial Review, May 2018	**No** *Date of Report:* May 21, 2018 *Date of Corrective Actions:* HART provided no evidence of implementation of the recommendations in the report. *Actions Taken:* The absence of evidence that HART administrators took reasonable actions to address the recommendations supports a finding of partially met for this subtask.

FIGURE 1-7: *HART operations have been assessed in various external reports that included findings and recommendations for compliance and/or improvement.*
Source: Indicated reports were provided by HART administrators in the initial data request.

> **RECOMMENDATION 1.4 – Establish a policy that requires development of a corrective action plan in response to findings and recommendations in any relevant internal or external report on program performance and cost. The plan should describe the findings and recommendations, management's responses, staff responsible for implementation, timeline, resource requirements, and other pertinent information.**

> **SUBTASK 1.5 – Evaluate program performance and cost based on reasonable measures, including best practices.**

OVERALL CONCLUSION

Overall, Subtask 1.5 is met. To reach this conclusion, the MJ Team interviewed the HART program administrators listed in Subtask 1.1, examined HART's assessment of OTP, and evaluated OTP using available data.

ANALYSIS

On-time performance (OTP) is a KPI that transit organizations use to measure service reliability. HART considers a bus on time when it arrives at a bus stop no more than 1 minute prior to scheduled arrival time, and no more than 5 minutes later than scheduled arrival time.

HART uses Computer-Aided Dispatch/Automated Vehicle Location (CAD/AVL) to calculate and report OTP. HART buses have Global Position Satellite (GPS) systems that record each buses' actual arrival at a scheduled bus stop. HART's CAD/AVL records bus arrival data for every bus by stop and route on a daily basis. Each week and month, the senior project planner downloads OTP data and prepares a report for distribution to the leadership team, operations and safety committee members, and board of directors.

HART program administrators analyze, monitor, and evaluate OTP data by route and operator. HART staff document OTP trends over a given period to identify strengths and weakness in the transportation program. HART also uses a digital dashboard that provides on-time performance

data for each route and for the system as a whole. The digital dashboard will display OTP data by route in the following three categories:

- Green Level is OTP above HART's goal of 80 percent
- Yellow Level is OTP below HART's goal of 80 percent but above 70 percent
- Red Level is OTP below 70 percent

Figure 1-8 provides an example of the systemwide OTP dashboard for June 2022, while **Figure 1-9** provides the dashboard for one route.
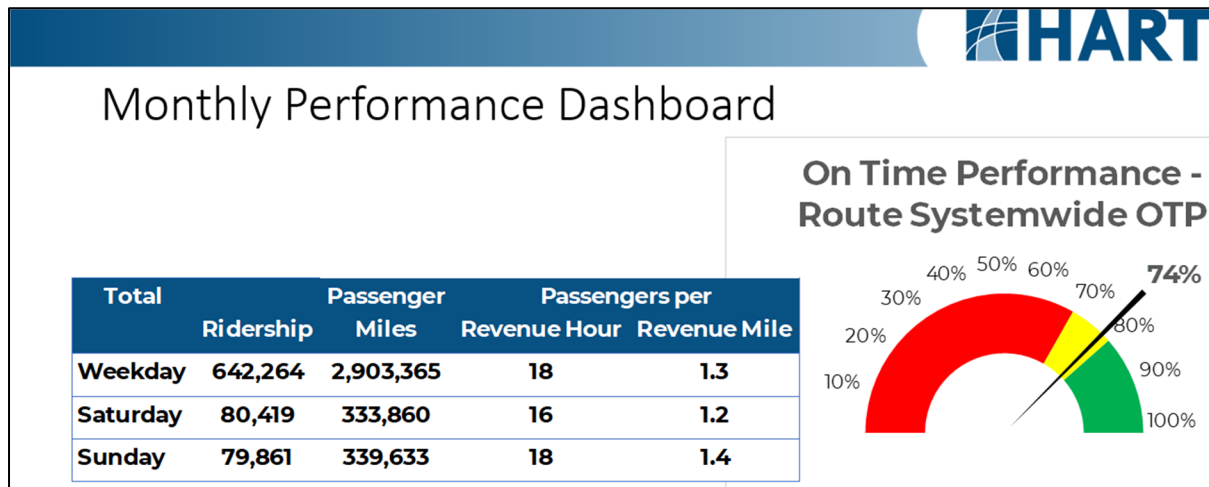

FIGURE 1-8: *HART program administrators present OTP data for the entire system using a graphic dashboard that rates OTP against HART's internal standard.*
Source: Monthly Report, June 2022.
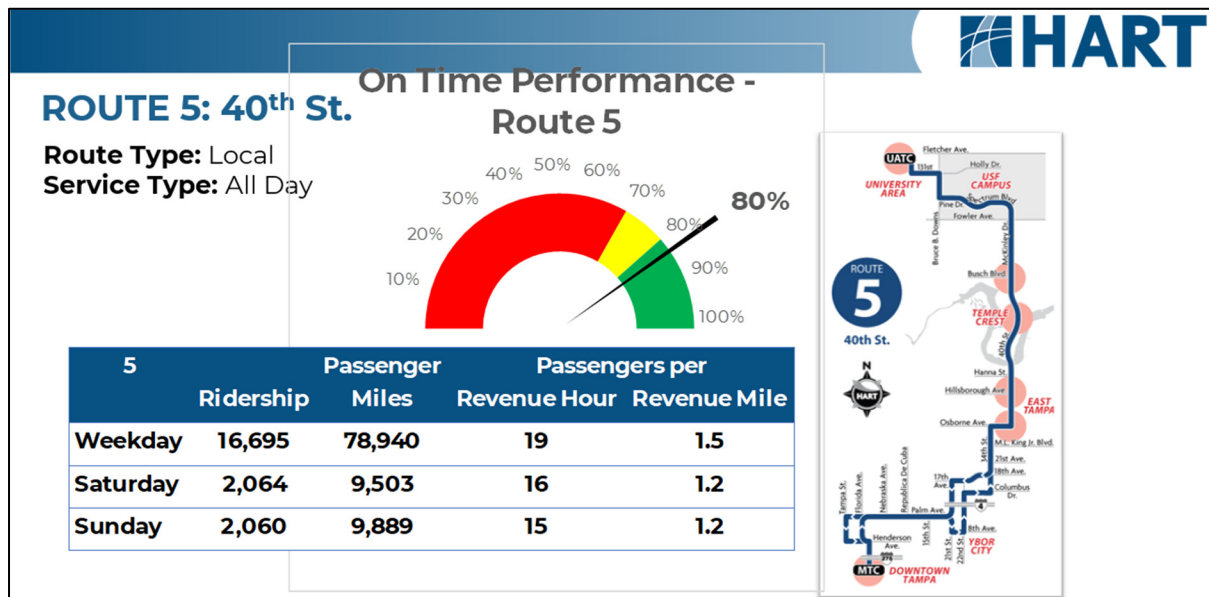
FIGURE 1-9: *HART program administrators present OTP data for each route using a graphic dashboard that rates OTP against HART's internal standard.*
Source: Monthly Report, June 2022.

HART evaluates program performance and costs based on OTP. HART uses CAD/AVL to collect and report OTP data. Moreover, HART employs best practices and industry standards when administering and evaluating its OTP program. Industry standards dictate that each transit system develop its own goal for OTP based on system variables such as traffic, urban density, ridership, and past experiences. HART developed a system-wide OTP for fixed route bus service at 80 percent. According to the Operations, Maintenance, Safety Metrics Report for March and April 2022, prepared by HART's manager of transit logistics, the industry standard for OTP is 77 percent, which means that HART has established stricter guidelines that the industry standard. The MJ Team analyzed HART's OTP data for the period February through April 2022, and June 2022. May 2022 OTP data was not available due to a lack of CAD/AVL OTP data.

Figure 1-10 presents the MJ Team's analysis of OTP for the four months assessed. The figure shows that only 22 percent of HART's routes met its 80 percent OTP standard during February through April 2022, while 50 percent met the HART standard in June 2022.

During February through April 2022, 25 to 38 percent of routes met the OTP industry standard of 77 percent while 63 percent met the industry standard in June 2022. HART's overall system did not reach its internal OTP during the four-month period and only met the industry standard in June 2022.

These data underscore the importance of analyzing all underperforming routes and operators to determine underlying causes. Such analyses could lead to changes that will improve program performance and costs. For example, a more in-depth analysis of routes would reveal why there was significant improvement between April 2022, and June 2022 as shown in the **Figure 1-10** below.

Description	February 2022	March 2022	April 2022	June 2022
Number of Routes at or **Above** HART OTP Standard	7	7	7	16
HART OTP Standard	**80%**	**80%**	**80%**	**80%**
Number of Routes **Below** HART OTP Standard	25	25	25	16
Percentage of Routes at or Above HART Standard	**22%**	**22%**	**22%**	**50%**
Number of Routes at or **Above** Industry OTP Standard	8	10	9	20
Industry OTP Standard	**77%**	**77%**	**77%**	**77%**
Number of Routes **Below** Industry OTP Standard	24	22	23	12
Percentage of Routes at or Above Industry Standard	**25%**	**31%**	**28%**	**63%**
Total System				
Total HART System OTP	72%	69%	71%	79%
At or above HART Standard?	No	No	No	No
At or above Industry Standard?	No	No	No	**Yes**

FIGURE 1-10: *During the period February through June 2022, excluding May, the OTP for most routes was below HART and industry standards.*
Source: Operations, Maintenance, Safety Metrics Report for March and April 2022.

National Express Group (NEG is a leading transportation provider delivering services in the United Kingdom, Continental Europe, North Africa, North America and the Middle East. NEG has identified the following five best practices for improving on time performance:

- Measure it
- Analyze and compare
- Be proactive
- Streamline
- Consider bigger changes

HART provided a June 2022 management presentation demonstrating how HART uses these best practices. The MJ Team reviewed the presentation and determined that HART is employing best practices in its OTP program and evaluating OTP program performance and costs.

HART uses CAD/AVL data in its evaluation of OTP by route and operator to determine variances in performance. HART analyzes route performance and factors in weather, road conditions, accidents, routing, and choke points.

HART prioritizes low performing routes and makes schedule, routing, and service changes to improve OTP. HART's designs routes to operate on a schedule that has a fixed amount of pay for the route operator. When a route is late, the operator must be paid overtime. Therefore, HART's evaluation of OTP impacts not only program performance but also program costs.

> **SUBTASK 1.6 – Evaluate the cost, timing, and quality of current program efforts based on a reasonably sized sample of projects to determine whether they were of reasonable cost and completed well, on time, and within budget.**

OVERALL CONCLUSION

Overall, HART met expectations for subtask 1.6. To reach this conclusion, the MJ Team selected five projects for review from the list of eleven capital projects undertaken during Fiscal Years 2020 to 2022 that were substantially complete or 100% complete.

Although project costs were within budget and reasonable, there was one project that did not comply with the timeliness requirements of the Project Management Standard Operating Procedure Manual and the Federal Transit Administration Project and Construction Management Guidelines. The cause of the delay was due to the pandemic and the challenges it brought to the inspector and HART did not complete a contract modification to address the last delay.

The sample was selected based on the project type, total cost, project expense, project start and completion dates. The total budget for the five projects reviewed totaled $6,301,875. and 100 percent of the projects are within or under budget. Also, as noted in **Figure 1-11** below, four projects were on schedule, and one is behind scheduled as the contract has expired.

Status	No. Projects	Percent	Explanation
Projects ahead of schedule	0	0%	
Projects on schedule	4	80%	
Projects behind schedule	1	20%	COVID and other material delay
TOTAL	5	100%	
Status	No. Projects	Percent	Explanation
Projects over budget	0	0	
Projects under budget	2	40%	
Projects within budget	3	60%	
TOTAL		100%	

FIGURE 1-11*: Summary of Transportation Projects with Performance Metric Calculations.*
Source: the MJ Team developed chart based on the summary of projects reviewed below and supporting documentation.

The MJ Team had interviews with project managers, project coordinator, and the director of Enterprise Project Management, to discuss the process and support received. The HART team has an established manual and process, but the documentation the MJ Team received lacked evidence of policy compliance for one project.

ANALYSIS

The audit procedures for the sample projects included reviewing project files from the department including the invitation to bid, board agenda item, board approval documentation, sealed bid tabulation, recommendation letter from Procurement, approved project management plan, examples of periodic site inspections, and certificates of substantial and final completion. We conducted these reviews to ascertain whether the project was completed well and for compliance with sections of the department's Project Management Standard Operating Procedures and with the Federal Transit Administration (FTA) Project and Construction Management Guidelines.

Figure 1-12 presents a summary of the results indicating that the projects were of reasonable cost in comparison to the selected vendor's bid amount and completed well, within budget and if the project was ongoing, no issues were reported. The department's estimate is compared to the bid estimate at the beginning of the project and to final costs at the completion of the project to determine if costs were reasonable.

Project Number	Project Name	Initial Contract Awarded Amount	Expenditures as of FY22	Project Cost Reasonable?	Project Completed Well?	Project Completed on Time?	Project Completed within Budget?	Documentation Examined/Analysis Performed
2021-09-44	Northwest Transfer Center Operator Breakroom	$165,000	$165,000	Yes	Yes	Yes	Yes	Reviewed the following: Information Sheet, Resolution, Award Analysis Form, Estimate, Solicitation, Notice to Proceed, Acceptance Certificate
R2020-01-01	TECO Historic Streetcar Rehabilitation	$2,475,296.00	$2,422,164.98	Yes	Yes	No	Yes	Contract expired without finalizing the closeout procedures.
R2021-07-33	University Area Transit Center ADA Sidewalk Improvements	$222,298.44	$222,984.44	Yes	Yes	Yes	Yes	Reviewed the following: Resolution, Notice of Award Executive Contract, Award Analysis Form, Engineer's Opinion of Probable Cost, Acceptance Certificate
R2020-09-28	21st Avenue Campus Angel Trax Camera Project	$1,900,000.00	$1,727,581.39	Yes	Yes	Yes	Yes	Reviewed the following: Resolution, Notice of Award Executive Contract, Award Analysis Form, Engineer's Opinion of Probable Cost, Acceptance Certificate
R2019-07-23	Marion Transit Center, Concrete Rehab	$1,560,000.00	$1,452,660.39	Yes	Yes	Yes	Yes	Reviewed the following: Resolution, Notice of Award Executive Contract, Award Analysis Form, Engineer's Opinion of

Project Number	Project Name	Initial Contract Awarded Amount	Expenditures as of FY22	Project Cost Reasonable?	Project Completed Well?	Project Completed on Time?	Project Completed within Budget?	Documentation Examined/Analysis Performed
								Probable Cost, Acceptance Certificate

FIGURE 1-12: *HART Summary of Capital Development Projects Reviewed.*
Source: HART.

- The review of the files indicated that: Project costs were within budget, for reasonable costs, timely and completed well overall.

- However, one project exceeded the contract date without a required contract modification. The MJ Team discussed the requirement to ensure closeout procedures are followed and contract modifications completed in a timely manner. HART agreed that the modification should have been completed. Based on the results of the other four projects tested, no further recommendation was made.

> **SUBTASK 1.7 – Determine whether HART has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.**

OVERALL CONCLUSION

Overall, HART meets Subtask 1.7. To reach this conclusion, the MJ Team interviewed HART program administrators and reviewed the following manual and regulations which are described in the Analysis section below. Based on the review, HART has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

ANALYSIS

To address the requirements the MJ Team interviewed the director of Procurement & Contracts, and the manager of Procurement and reviewed the procurement manual and regulations, which are described below:

- 2022-04 Procurement Manual; and
- Project Management Office – Standards Operating Procedures (SOP)

2022-04 Procurement Manual

HART staff established the procurement manual currently used by the agency. The procurement manual establishes detailed policies and procedures for competitive procurements and discusses techniques for analyzing price and costs in procurement bids. The manual also discusses how HART can participate in cooperative purchasing and/or joint

procurement agreements when it may be economically advantageous. The manual includes twelve chapters of which the chapters relevant to the subtask are outlined in **Figure 1-13**.

Chapter	Topics
1: General Provision	• The purpose of this Procurement Manual (this "Manual") is to prescribe and promulgate necessary rules, regulations, policies, and procedures related to the procurement, management, control, contract administration, and disposal of supplies, services and construction and to define the terms in and implement the provisions of Chapter 163, *Florida Statutes*, and the Amendment and Restatement of the Charter of the Authority. To the extent required by law or agreement, this Manual is also intended to be consistent with all applicable laws, rules, and regulations of the United States Department of Transportation ("USDOT"), Federal Transit Administration ("FTA"), Florida Department of Transportation ("FDOT"), State of Florida, and other applicable federal, state or local laws, rules and regulations.
3: Source Selections and Contract Formations	This section establishes the criteria for the following: • Scope of Section: This Section establishes the criteria for establishing independent cost estimates and sets forth the pricing policies which are applicable to contracts of any type and any price adjustments there under when cost or pricing data are required to be submitted. The provisions of this Section requiring submission of cost or pricing data do not apply to a contract let by competitive sealed bidding (including multi-step bidding) or small purchases. However, cost or pricing data may be required under a contract let by competitive sealed bidding when price adjustments are subsequently made in such a contract. • Independent Cost Estimate: An Independent Cost Estimate (ICE) is a cost estimate developed by the requisitioner, based on the requirements of the specifications or statement of work and their historical experience, without the influence of prospective offerors in developing the ICE. It is a "should cost" assessment, which is used to support the Contracting Officer's price or cost reasonableness determination. • Price Analysis Techniques: Price analysis is used to determine if a price is reasonable and acceptable. It involves an evaluation of the prices for the same or similar items or services. Examples of price analysis criteria include but are not limited to: (a) price submission of prospective bidders or offerors in the current procurement; prior price quotations and contract prices charged by the bidder, offeror, or contractor for the same or similar items; prices published in catalogues or price lists; prices available on the open market; and in-house estimates of cost. • Cost Analysis Techniques: Cost analysis includes the appropriate verification of cost or pricing data and the use of this data to evaluate: specific elements of costs; the necessity for certain costs; the reasonableness of amounts estimated for the necessary costs; the reasonableness of allowances for contingencies; the basis used for allocation of indirect costs; the appropriateness of allocations of particular indirect costs to the proposed contract; and the reasonableness of the total cost or price.

Chapter	Topics
4: Specifications	• These policies set standards for the preparation, maintenance, and content of specifications for supplies, services, and construction required by the Authority. • The purpose of a specification is to serve as a basis for obtaining a supplies, service, or construction adequate and suitable for the Authority's needs in a cost-effective manner taking into account, to the extent practicable, the costs of ownership and operation as well as initial acquisition costs.
6: Modifications and Terminations of Contract Supplies and Services	• Contract Clauses. The Chief Executive Officer shall promulgate procedures permitting or requiring the inclusion of clauses providing for adjustments in prices, time of performance, or other contract provisions as appropriate covering the following subjects: the unilateral right of the Authority to order in writing: changes in the work within the scope of the contract; and • temporary stopping of the work or delaying performance; and variations occurring between estimated quantities of work in a contract and actual quantities.
7. Cost Principles	• The cost principles and procedures contained in this Chapter shall be used to determine the allowability of incurred costs for the purpose of reimbursing costs under contract provisions which provide for the reimbursement of costs, provided that if a written determination is approved by the Chief Executive Officer, such cost principles may be modified by contract.
10: Intergovernmental Relations	• The Authority may participate in, sponsor, conduct, or administer a Cooperative Purchasing agreement or Joint Procurement for the procurement of any supplies, services, or construction with one or more public entities in accordance with an agreement entered into between the participants. Such Cooperative Purchasing or Joint Procurement may include, but is not limited to, joint or multi-party contracts between participating entities and open-ended contracts made available to participating parties. • All Cooperative Purchasing and Joint Procurement conducted under this Chapter shall be through contracts awarded through full and open competition, including use of source selection methods substantially equivalent to those specified in Chapter 3 (Source Selection and Contract Formation) of this Manual. • It may be economically advantageous for the Authority to enter into a joint procurement with others that have similar needs. The public entity responsible for undertaking the joint procurement may, upon contract award, assign to the other participants responsibilities for administering those parts of the contract affecting their property or services. Participation in a joint procurement, however, does not relieve the Authority from the requirements and responsibilities it would have if it were procuring the property or services itself, and does not relinquish responsibility for the actions of other participants merely because the primary administrative responsibility for a particular action resides in an entity other than itself.

Chapter	Topics
11: DBE and SBE Initiatives	• It is the policy of the Authority that disadvantaged and small businesses have the opportunity to compete for and participate in the performance of contracts or in the purchase of supplies, services and construction procured by the Authority. In addition, contractors performing work for the Authority shall ensure that these business concerns have the opportunity to participate in the performance of contracts without discrimination on the basis of race, color, national origin or sex.

FIGURE 1-13: *Contents of the HART Procurement Manual, 2022-4.*
Source: Hart Procurement Manual.

In addition, the Procurement Manual outlines steps for conducting invitations for bids, multi-step sealed bidding, proposals, small purchases, and other procurement types. HART Legal Services administrators and Procurement staff stated the Procurement Manual is consistent with the federal procurement regulations and Florida law.

RESEARCH TASK 2

FINDING SUMMARY

> **THE STRUCTURE OR DESIGN OF THE PROGRAM TO ACCOMPLISH ITS GOALS AND OBJECTIVES.**
>
> **Overall, Hillsborough Transit Authority (HART) meets Research Task 2.**
>
> HART maintains an organizational structure that has clearly defined units, minimizes overlapping functions, and has no excessive administrative layers. The current turnover rate for non-bargaining positions (non-union) is 28% and the vacancy rate is 20%, which is high based on human resources best management practices. The employees covered under the collective bargaining agreement (union) make up nearly 83% of the current workforce at HART. As of July 2022, there are currently 37 vacant bus operator roles and the turnover rate based on a rolling 12-month period (July 1, 2021, through June 30, 2022) is at 20%. Strategies are underway to focus recruiting efforts on positions that are critical to providing and supporting the continuation of services to the community and business units, such as bus drivers. To address high turnover and vacancy rates, HART should continue to evaluate salary and wage rates to ensure they are competitive and refine recruitment and retention strategies and consider establishing goals to lower turnover and vacancy rates for all non-bargaining and collective bargaining employees to the suggested guideline of 10%.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

> **SUBTASK 2.1 – Review program organizational structure to ensure the program has clearly defined units, minimizes overlapping functions and excessive administrative layers, and has lines of authority that minimize administrative costs.**

OVERALL CONCLUSION

Subtask 2.1 is met overall. To reach this conclusion, the MJ Team assessed HART's program organizational structure to ensure it has clearly defined units that minimize overlapping functions, has lines of authority that minimize administrative costs, and no excessive administrative layers.

ANALYSIS

To address the requirements of this subtask, the MJ Team interviewed the following positions:

- Chief Financial Officer
- Chief Customer Experience Officer
- Chief of Maintenance & Transportation
- Director of Transportation, Bus Operations
- Director of Streetcar Operations

- Director of Enterprise, Project Management

- Project Manager III, Enterprise Project Management

- Chief Delivery Officer, Capital Development

- Chief Strategy Officer, Strategy

- Director of Procurement

- Director of Facilities Maintenance

- Director of Safety & Security

- Director of Human Resources, Human Resources

The MJ Team also reviewed the organizational charts for Transit Administration at the executive level and Maintenance & Transportation Operations.

Key Personnel Primary Job Functions and Managerial Span of Control

The MJ Team also compared the recommended span of control ratio for higher-level director positions using Society of Human Resource Management guidelines (SHRM). The recommended span of control ratio for higher-level directors and managers is between 1:2 and 1:9 or slightly higher. The span of control ratio for lower-level managers and supervisors is 1:15 to 1:20. Several factors influence span of control guidelines, as described below:

- **Organizational size.** Large departments tend have a narrow span of control, whereas smaller departments often have a wider span of control. This difference is usually due to the costs involved with more managers and the financial resources available to an organization.

- **Workforce skill level.** The complexity or simplicity of the tasks performed by the employees will affect the number of desirable direct reports. Generally, routine tasks involving repetition will require less supervisory control of a manager, allowing a wider span of control, whereas complex tasks or dynamic workplace conditions may be best suited for a narrower span of control, where managers can provide more individualized attention.

- **Director's and Manager's responsibilities.** Departments and organizational units' expectations allow may managers to be effective with the number of direct reports they have, especially related to individual responsibilities, departmental planning, and training. For example, executives often have fewer direct reports than other managers in the organization.

Organizational Structures

Figure 2-1 depicts HART's Transit Administration executive and director-level organizational structure.
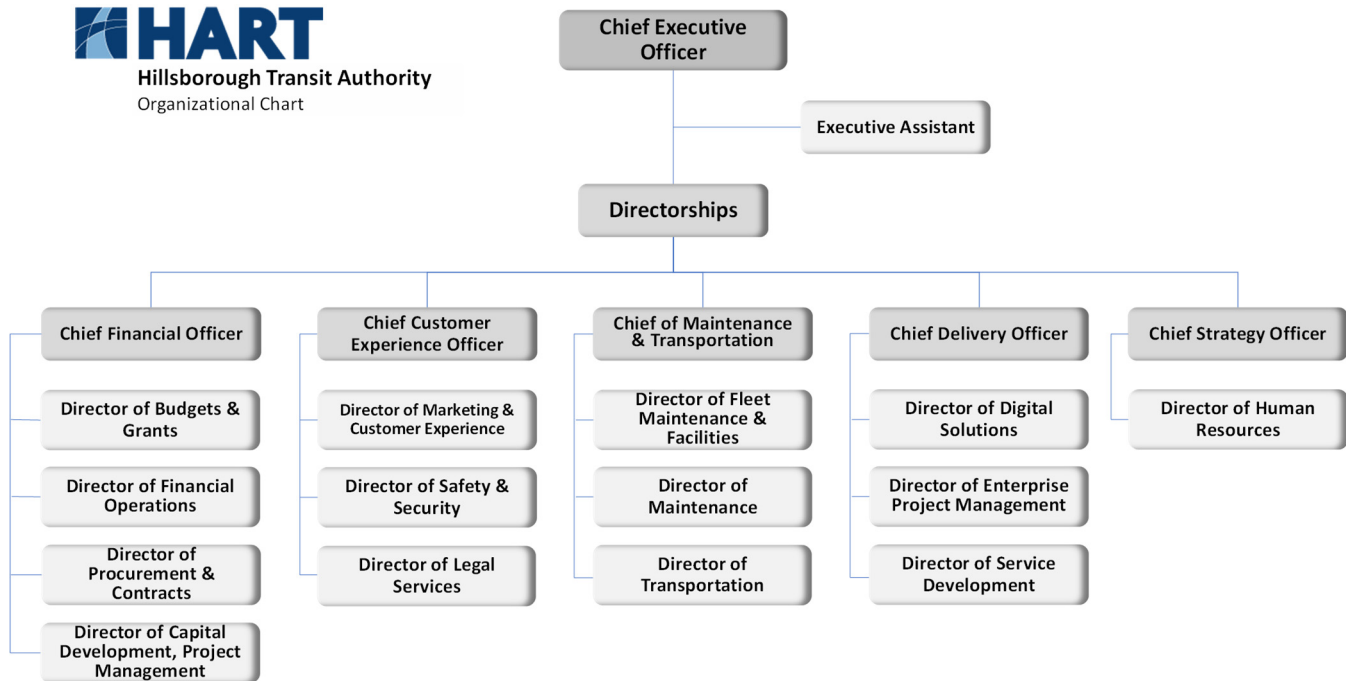
FIGURE 2-1: *HART's Transit Administration executive and director-level organizational structure. Source: HART.*

A summary of Transit Administration's executive and director-level primary job functions along with their organizational span of control (ratio of staff that they directly oversee) are shown in **Figure 2-2**.

Figure 2-2 also shows that the SHRM recommended span of control ratio for executive and higher-level directors is between 1:2 and 1:9 and all the HART's executive-level positions that are critical to the surtax fall within that guideline.

Position Title	Major Position Responsibilities Related to the Surtax Program Areas	Span of Control
Chief Executive Officer, Executive ***Tenure with HART:*** 1.5 years ***Tenure in Current Role:*** 1.5 years	• Plans, administers, directs, oversees, and evaluates the activities and operations of Hillsborough Transit Authority including the Bus, Rail, administrative Departments/Offices. • Establishes and maintains fiduciary responsibility for HART and its budget. • Develops programs to address and accommodate the diverse ridership needs of the service area community.	1:6

Position Title	Major Position Responsibilities Related to the Surtax Program Areas	Span of Control
Chief Financial Officer *Tenure with HART:* 1.2 years *Tenure in Current Role:* 1.2 years	• Develops, manages, supports, and guides the fiscal sustainability and strategy efforts of the organization. • Manages the agency's finances to deliver initiatives and projects that have impact on the region's mobility and economic impact. • Provides CEO timely financial strategic advice based on changes in the financial environment to implement effective strategies to ensure sound fiscal management.	1:4
Director of Financial Operations, Accounting *Tenure with HART:* 10 months *Tenure in Current Role:* 10 months	• Directs and co-ordinates all accounting and finance functions of the Agency. • Oversees all financial reporting which includes monthly and external audit and ACFR preparation. • Assists in annual budget process and all other audits as needed.	1:4
Director of Procurement & Contracts *Tenure with HART:* 17 years *Tenure in Current Role:* 8 months	• Conducts and administers procurements. • Conducts negotiations, PO issuance, contract awards and contract kickoff meetings. • Manages contract administration from inception through final closeout, which includes Monitors the contractor activities to ensure compliance with the provisions of the contract; approves payments; contract interpretation; resolution of disputes; modifications and change-order actions as necessary. • Ensures that all procurements are conducted in accordance with Federal, State and HART's Procurement Manual guidelines.	1:5
Chief Customer Experience Officer *Tenure with HART:* 1.5 years *Tenure in Current Role:* 1.5 years	• Drives continuous improvement of service levels and increase customer satisfaction through measuring and observing customer usage and satisfaction. • Leads and develops a diverse, cross-functional team as they oversee and coordinate with other departments on systems, processes, communications, and partnerships to enable HART to deliver on growth expectations. • Leverages cross-functional relationships to maintain and enhance customer confidence in HART.	1:3
Director of Safety & Security *Tenure with HART:* 18 months *Tenure in Current Role:* 18 months	• Acts as gatekeeper for the SOP development and review of the approval process. • Serves as point of contact for the Federal Transit Administration regarding safety & Security, Florida Department of transportation regarding safety & Security. • Collects all safety and security data including key performance Indicators (KPI) for these areas • Manages all Safety & Security aspects of projects. • Provides direct oversight for safety and security compliance.	1:2

Position Title	Major Position Responsibilities Related to the Surtax Program Areas	Span of Control
Chief of Maintenance & Transportation *Tenure with HART:* 3.5 years *Tenure in Current Role:* 1 year	• Works under the authority granted by the Chief Executive Officer to lead, manage, and direct the Hillsborough Transit Authority's, core business in Fixed Route Bus & Paratransit Operations, Streetcar Operations, and Fleet & Facilities Maintenance. • Develops annual department budget and ensures compliance with budget targets. Manages alignment between budgets. • Provides direct oversight for the management of all Authority's fleet and facilities assets.	1:3
Director of Facilities Maintenance *Tenure with HART:* 12 years *Tenure in Current Role:* 8 months	• Identifies equipment needs, creates a statement of work and identifies funding source for Capital projects and equipment at all transit facilities. • Manages projects from kickoff to completion within the facilities department for new equipment installations or repairs and modifications to existing equipment. • On call 24/7 to respond to any facility emergency to trouble shoot and determine corrective action plan for the most efficient resolution to support operations.	1:4
Chief Delivery Officer, Capital Development *Tenure with HART:* 1.5 months *Tenure in Current Role:* 1.5 months	• Oversees Capital Projects, Program Management, Digital Solutions, and Planning & Scheduling • Involves other departments, such as operations, maintenance, finance, procurement, and safety throughout all phases of planning and project delivery to ensure alignment with organizational goals, obtain critical insights and ideas, and foster more seamless transition of projects from planning and construction to implementation. • Builds relationships among key internal and external stakeholders to develop mid and long-range programs designed to improve transit service and build necessary infrastructure and facilities in accordance with customer and community priorities.	1:3
Director of Digital Solutions *Tenure with HART:* 7 years *Tenure in Current Role:* 5 years	• Ensures that all IT procurements follow HART's supported infrastructure and Cyber Security standards. • Identifies IT infrastructure needs and resources, based the agency's departments future growth.	1:7
Chief Strategy Officer, Strategy *Tenure with HART:* 1 month *Tenure in Current Role:* 1 month	• Develops and recommends the Agency's strategic and long-range goals. • Monitors and evaluates results of existing plans to ensure growth and operational effectiveness and adjusts as necessary. • Oversees day-to-day operations, including human resources, and legal.	1:1

Position Title	Major Position Responsibilities Related to the Surtax Program Areas	Span of Control
Director of Human Resources *Tenure with HART:* 5 months *Tenure in Current Role:* 5 months	• Directs and manages the human resources operations and programs for HART. • Provides recommendations, including structure and resources, for the development of department strategic work plans. • Develops, administers, maintains, and oversees the department's annual budget and makes recommendations, forecasts for future funds needed for staffing, equipment, materials, and supplies; reviews and approves department's expenditures and implements adjustments when needed. • Reviews, develops, recommends, and administers cost-efficient, appropriate, and competitive benefits programs for the Agency.	1:5
Director of Legal Services, Legal Services *Tenure with HART:* 5 months *Tenure in Current Role:* 3 weeks	• Provides legal support for all departments in the Agency. • Leads analysis of proposed legislative actions to determines potential impact on the Agency. Collaborates with senior leadership in the establishment of Agency strategies, polices, and plans, to ensure they align with government law, regulations, and standards. • Reviews and authorize legal compliance for all Agency funding.	1:7
Director of Capital Development, Project Management *Tenure with HART:* 10 years *Tenure in Current Role:* 5 years	• Delivers the Capital Projects as identified in the Surtax program. • Provides monthly detailed, accurate reporting as required. • Ensures project controls are established and followed for strict adherence to project scope, budget, schedule, and quality.	1:6
Director of Fleet Maintenance, Maintenance & Facilities *Tenure with HART:* 3.5 years *Tenure in Current Role:* 3.5 years	• Directs Fleet Maintenance, and Technical Services Managers. Provides direction to managers and other direct reports on both short- and long-range priorities and evaluates job performance. • Directs the fleet maintenance operations, safety and efficiency of all personnel, and coordination with outside supplier, vendors, and consultants. • Assists the Chief of Maintenance & Transportation with developing and managing the Maintenance operational budget, capital budget, key policies, and initiatives. • Establishes procedures, programs, and activities to execute and accomplish goals and policies set by the Chief of Maintenance & Transportation and the Authority's Board of Directors; sets priorities within the departments.	1:4

FIGURE 2-2: *HART's Transit Administration executive and director-level primary job functions critical to the administration of the surtax funds.*
Source: HART.

Figure 2-3 depicts HART's Maintenance & Transportation organizational structure, which is also referred to as Transit Operations.
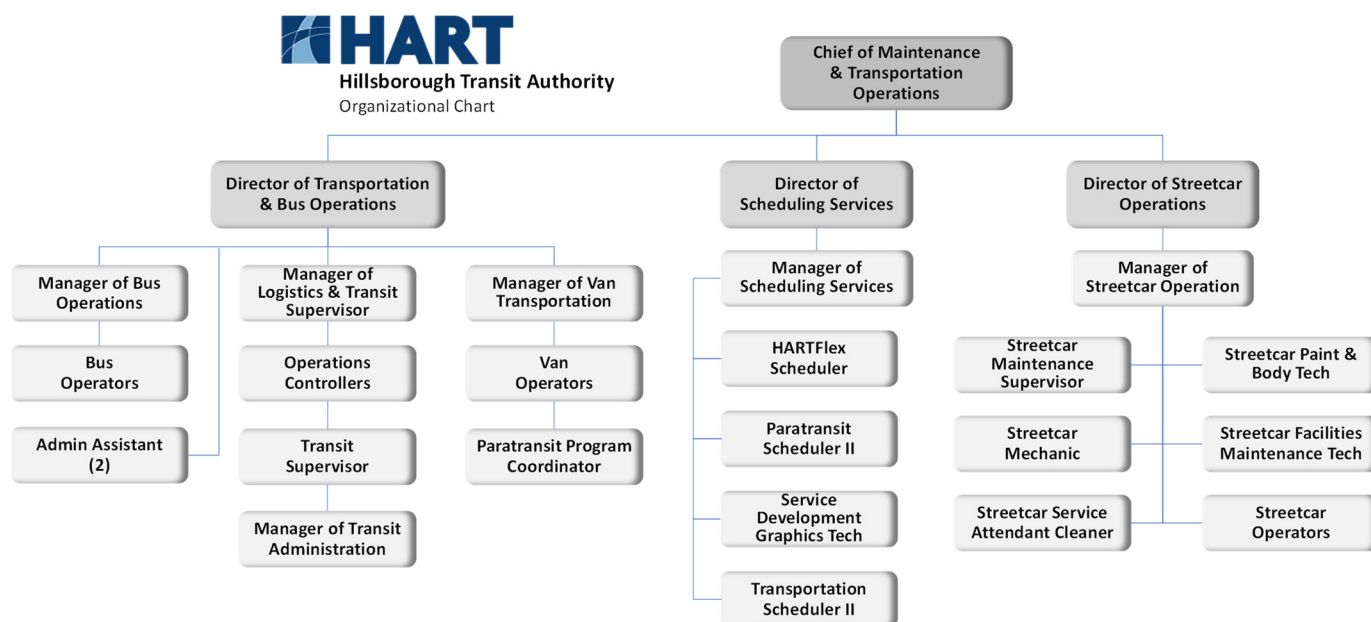

FIGURE 2-3: *HART's Maintenance & Transportation organizational structure. Source: HART.*

A summary of the primary job functions along with the organizational span of control (ratio of staff that they directly oversee) are shown in **Figure 2-4** for HART's Maintenance & Transportation key staff who will work closely with the surtax related functions.

Figure 2-4 shows that the (SHRM) recommended span of control ratio for higher-level directors is between 1:2 and 1:9 and all the HART's Maintenance & Transportation key positions that are critical to the Surtax fall within that guideline.

Position Title	Major Position Responsibilities Related to the Surtax Program Areas	Span of Control
Director of Transportation, Bus Operations ***Tenure with HART:*** 7 months ***Tenure in Current Role:*** 7 months	• Provides leadership for the Transportation Department (520 employees) by maintaining authority over financial, statistical, and operational requirements within Bus, Dispatch, and Road Supervisory bargaining unit classifications. • Develops and manages the transportation operational budget, capital budget, key policies, and initiatives for the Transportation Department. • Prepares statistics and reports on key performance indicators and other transportation operations, variances, and staffing data.	1:5

Position Title	Major Position Responsibilities Related to the Surtax Program Areas	Span of Control
Director of Scheduling Services (TBD) *Tenure with HART:* vacant *Tenure in Current Role:* vacant	• Analyzes bus routes and bus schedules. • Prepares bus route schedules for customers published on the website and on buses. • Provides bus routes and schedules for bus drivers. • Develops daily reports of bus operations, which shows the list of routes operated. • Develops paysheets for drivers (the time the buses leave the bus garage and return to the bus garage) that determines how drivers are paid. • Analyzes on-time performance and customer comments and work closely with planners to make bus route changes, as necessary.	1:5
Director of Streetcar Operations *Tenure with HART:* 5 years *Tenure in Current Role:* 5 years	• Oversees all operational areas of the Streetcar System, including long term planning, and special events. • Directs all maintenance functions for the system, including preventative maintenance and identifying long term capital needs for the vehicles and right of way. • Serves as a subject matter expert for the current planned expansion of the system for the Agency.	1:1

FIGURE 2-4: *HART's Maintenance & Transportation primary job functions critical to the administration of surtax the funds.*
Source: HART.

> **SUBTASK 2.2 – Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload.**

OVERALL CONCLUSION

Overall, HART partially meets subtask 2.2 because of high turnover and vacancy rates. To come to this conclusion, the MJ Team reviewed turnover, vacancy, and workload information provided by HART for both non-bargaining (non-union) and collective bargaining (union) employees. We determined that HART has systems in place to monitor turnover, vacancies, and workload for certain employee position titles. However, turnover and vacancy rates are higher than the suggested guideline of 10% recommended by nationally recognized human resource professional management organizations.

ANALYSIS

To address the requirements of this subtask, the MJ Team interviewed the following HART leadership positions:

- Chief Delivery Officer, Capital Development

- Director of Streetcar Operations

- Director of Enterprise, Project Management

- Project Manager III, Enterprise Project Management

- Chief Strategy Officer, Strategy

- Director of Human Resources

Additionally, to address this subtask, the MJ Team reviewed and evaluated the following documents:

- Workload, Vacancy, and Turnover data

- Collective bargaining agreement

- HART Human Resources Department Recruitment and Retention Strategies

Vacancy and Turnover/Non-Bargaining (Non-Union) Agreement Employees

The HART leadership reported to the MJ Team that the average turnover rate across all industries in the US for 2021 was 47.2%, as provided by the Bureau of Labor Statistics. According to this same source, the transportation industry experienced an average turnover of 54.5% as of 2021. The MJ Team believes these statistics are not directly comparable to HART because they are not limited to public bus transit. These statistics encompass the Transportation and Warehousing sector which includes industries providing transportation of passengers and cargo, warehousing and storage for goods, and scenic/sightseeing transportation (mainly tourism which had exceptionally high turnover and vacancy rates because of the COVID-19 pandemic).

HART leadership also reported that because of unprecedented turnover and given the current labor climate over the last two years, the agency is re-evaluating processes to address turnover and vacancies and has not finalized targeted turnover or vacancy rate goals at this time.

Hiring new employees with the appropriate experiences and qualifications is essential to the continued success and profitability and/or financial sustainability of nearly every U.S. employer. Employing a targeted turnover and vacancy rate guideline of 10% regardless of the industry generally has a positive impact on hiring and recruitment functions. (The 10% targeted guideline was found in HR Morning-HR news and Insights and on various other web-based blogs and websites and is not specific to the transit industry). Accordingly, these factors should be considered.

- It takes 36 to 42 days to fill an average position in the United States.

- It can cost up to 40% of an employee's base salary in administrative time to recruit, hire, and train a new employee with benefits.

- In the case of bus operations, driver and safety training is highly specialized and as turnover and vacancy rates reach higher levels the agency may have to require involuntary overtime which increases labor costs. Moreover, if involuntary overtime reaches excessive levels, it may result in lower employee morale for this category of

employees. Additionally, higher turnover rates for bus drivers may result in the agency having to alter routes and schedules.

- On average, it can take up to 12 weeks for a new hire to become fully productive at work.

Vacancy and Turnover Rates/Collective Bargaining (Union) Agreement Employees

Employees covered under the collective bargaining agreement primarily include bus operators, mechanics, maintenance workers, fleet custodians, service attendance, and maintenance supervisors. These employees make up nearly 83% of the current workforce at HART and are represented by two unions, Amalgamated Transit Union (ATU) and Teamsters.

Data provided by HART shows that the vacancy rate for employees covered under the collective bargaining agreement is based on a rolling 12-month period and was at 20%, as of June 30, 2022. The primary driver of HART's vacancies for employees covered under the collective bargaining agreement was attributable to 37 vacant bus operator positions as of that same date.

Workload/Non-Bargaining and Collective Bargaining

HART provided two examples of how it uses workload staffing guidelines to determine the number of staff needed. One example was provided for Human Resources Department staff, which are non-bargaining employees, and another example was provided for Transportation Operations employees, which are covered under the collective bargaining agreement.

Employees are assigned to the Human Resources Department using the recommended staffing ratio from SHRM, which is the ratio of one Human Resources staff member for every 100 employees. The staffing ratio is calculated by dividing the number of full-time equivalent Human Resources Department employees by the total number of full-time equivalent employees as a baseline. Factors that affect this number are determined by the complexity of process (manual vs. automated) relative to data maintenance, employee onboarding and processing, and associated compliance activities for a Transit agency. For HART, this current ratio is determined to be 1.2:100 for Human Resource Department personnel to staff.

Transportation Operations employees' workload requirements are determined by a schedule of buses that will actually be operated or in-service over a certain period of time and/or crew scheduling (run-cut), collective bargaining agreement factors, (e.g., the number of drivers required to operate specific bus routes) and unplanned absenteeism projections. This involves the following:

- The base transit run-cut determines the minimum number of bus operators needed for service, which considers revenue hours (the time that the bus is collecting fares for passenger service), deadhead hours (any time the bus is not in revenue service), and planned overtime.
- To ensure all service is operated when bus drivers are on vacation, sick, or other types of planned or unplanned absences, extra bus driver assignments are calculated to account for planned and unplanned call outs.

- Employees covered under the collective bargaining agreement impacts to the workload varies with absenteeism. Vacancies and callouts are covered by overtime. HART has established an employee absenteeism incentive program that drives positive performance as it relates to attendance. HART continues to conduct hiring events to attract new candidates which addresses the turnover issues.

Excessive absenteeism related to employees covered under the collective bargaining agreement has the potential to negatively impact workload. Both absenteeism (callouts) and vacancies are covered by overtime. HART has established an employee absenteeism incentive program that drives positive performance as it relates to positive attendance rates for employees.

Surtax Workload Impact

HART leadership provided documentation that indicated the agency can effectively manage Transit Administration and Transportation Operations (Bus, Streetcar, Maintenance, and Scheduling) if the surtax passes. To ensure staffing is adequate, the following strategies have been or will be implemented:

- Any staff additions for Transit Administration and/or Maintenance & Transportation Operations) will be based on process improvement efforts and/or any compliance mandates that would require the addition of staff to manage a specific program that would otherwise not be able to be absorbed by a current team or staff member due to complexity or compliance requirements.

- For Maintenance & Transportation Operations (Bus, Streetcar, Maintenance, and Scheduling), HART will make additional overtime available when staff shortages arise.

- HART leadership has been continuously recruiting, hiring, and training bus operators and mechanics, in particular. HART held a hiring event on June 11, 2022, with over 80 attendees and over 50 offers were made. The next hiring event is scheduled for September 2022 when there will be another push to hire to fill vacancies for bus operators and maintenance positions.

- HART partnered with Hillsborough County, local radio stations, and other internal/ external advertisements to recruit. HART's Human Resources Department is also involved in local hiring events focused on advertising the agency. Hiring information cards were created to hand out to the community to help direct candidates to the Human Resources Department webpage.

- Pay increases of at least 3% were established for all collective bargaining unit employees as of June 21, 2022. The pay increases will allow HART to be more competitive in the marketplace in hopes of better recruitment and retention of employees and potential candidates.

- HART leadership has increased its focus on employee engagement to gain a more cohesive environment that involves 360 feedbacks for both Transit Administration and Transportation Operations employees. This is a process in which employees receive feedback from the people who work around them. This includes the employee's manager, peers, and direct reports. HART indicated to the MJ Team that this practice has fostered an improved work environment overall.

Recommendation 2.2 – Continue to evaluate salary and wage rates to ensure they are competitive and refine recruitment and retention strategies and consider establishing goals to lower turnover and vacancy rates for all non-bargaining and collective bargaining employees to the suggested guideline of 10%.

entered into between the participants. Such Cooperative Purchasing or Joint Procurement may include, but is not limited to, joint or multiparty contracts between participating entities and open-ended contracts made available to participating parties.

In Fall 2017, HART explored contracting out payroll services. ADP, LLC presented their suite of solutions to select HART executives and staff. The staff used their presentation along with a third-party analytics firm, Strategic Business Solutions, Inc. (SBSI), to make a sound business decision. Moving to the ADP, LLC solution was projected to save HART approximately $500,000 in direct and indirect costs annually after project implementation. There was also an element of risk reduction in terms of compliance and error rate that translate into potential cost avoidance in millions of dollars. The ADP, LLC solution proved that it could potentially save millions of dollars over the life of the contract. This evaluation is provided in the staff report from September 25, 2017, shown in **Figure 3-1**.

The contract was awarded using the contract vehicle The Cooperative Purchasing Network Contract #R151901. The contract for managed business/ operational services and solutions was awarded to ADP, LLC for a base term beginning in FY 2018 of a three-year fixed price with two one-year options in the amount of $252,500 for project implementation and operating costs of $1,820,160 (five years), for a total not-to-exceed amount of $2,072,660.
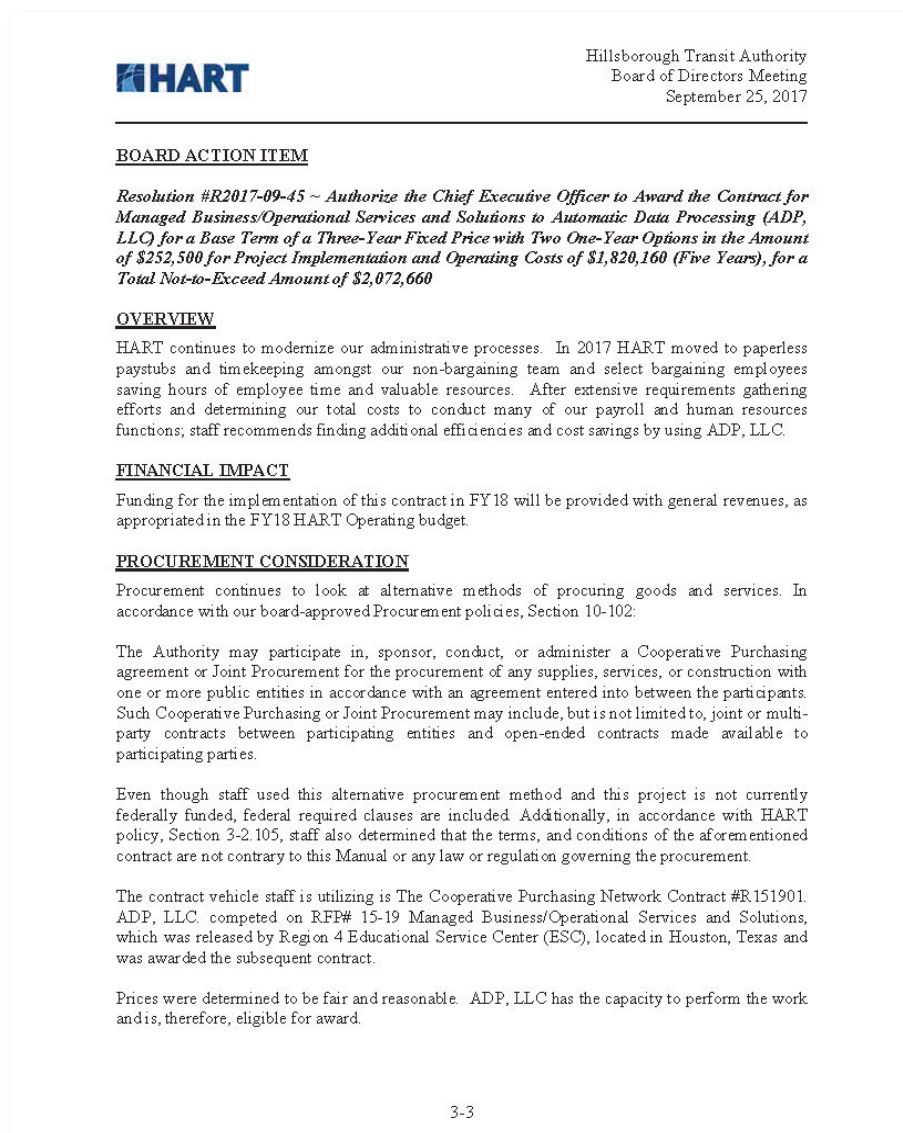
FIGURE 3-1: *Staff report to Board recommending the award of the payroll contract to ADP, LLC. Source: HART.*

SUBTASK 3.2 – Determine whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and determine the reasonableness of their conclusions.

SUBTASK 3.3 – Determine whether program administrators have made changes to service delivery methods when their evaluations/assessments found that such changes would reduce program cost without significantly affecting the quality of services.

OVERALL CONCLUSION

Overall, HART meets Subtask 3.2 and Subtask 3.3. These subtasks and the analysis are closely-related and the findings are presented together. To come to this conclusion, the MJ Team interviewed program administrators and reviewed the award of the contract to prepare the Transit Development Plan. This plan was originally contracted to an outside consulting firm; upon assessment of the contract, HART determined that it could achieve costs savings by making changes to the contract to reduce the program cost without significantly affecting the quality of service.

ANALYSIS

HART's Chief Delivery Officer, Capital Development, is a recent hire, having begun work in 2022. Upon arriving at HART, he reassessed the contract award for the preparation of the Transit Development Plan (TDP). This reassessment determined that HART's existing staff had the requisite skill set and availability to bring some tasks assigned to the consultant back in-house.

This scope change was negotiated with the consultant and resulted in several tasks being transferred to HART staff, resulting in a reduction in the project cost of $38,446, or 21.5%. **Figure 3-2** shows the spreadsheet that compares the original budget with the revised budget after transferring tasks to HART staff.

Task Description		Principal	Project Manager	Senior Planner	Engineer Intern	Planner	Admin Asst	Project Manager	Senior Outreach Specialist	Outreach Specialist	Task Totals	
											Hours	Fee
Task 1	**Project Management**											
		6	20	34	12	12	11	10	0	0	105	$17,705
1.1	Kick-off Meeting	2	2	4		4	2	2			16	$2,642
1.2	Project Management Plan	2	2	6	4	8	1				23	$3,452
1.3	Project Administration	2	16	24	8		8	8			66	$11,611
Task 2a	**Public Involvement**											
		9	13	50	40	78	24	38	76	102	430	$54,852
2a.1	Public Involvement Plan										0	$0
2a.2	Summary of Previous HART Outreach Activities	1	2	8	8	16	2	4	10	12	63	$7,989
2a.3	New Public Involvement Activities (listed below)											
	Stakeholder Interviews (up to 15)	1	4	12	2	4	2	8	16	24	73	$9,910
	Public Online Survey	1	2	6	8	16	12	6	12	16	79	$9,311
	Discussion Workshops (up to 2)	4	2	8	8	10	2	6	10	12	62	$8,603
	Transit/Transfer Center Drop-Ins (up to 4)		1	8	2	16	4	8	20	28	87	$10,394
2a.4	Public Involvement Chapter Document	2	2	8	12	16	2	6	8	10	66	$8,645
Task 2b	**Baseline Conditions Assessment**											
		4	6	20	34	80	10	0	0	0	154	$18,628
2b.1	Existing Conditions	1	2	8	16	40	4				71	$8,242
2b.2	Transit Market Assessment	1	2	6	12	24	4				49	$5,863
2b.3	Baseline Conditions Chapter Document	2	2	6	6	16	2				34	$4,523
Task 2c	**Existing Services & Performance Evaluation**											
		5	7	26	46	74	9	0	0	0	167	$21,056
2c.1	Existing System Profile & Performance (HART staff)	1	2	4	4	6	1				18	$2,600
2c.2	Existing Transportation Services Inventory		1	4	16	24	2				47	$5,309
2c.3	Trend Analysis of Existing Transit Service	1	1	6	10	16	2				36	$4,502
2c.4	Peer Review of Existing Transit Service	1	1	6	10	16	2				36	$4,502
2c.5	Existing Svcs. & Perf. Evaluation Chapter Document	2	2	6	6	12	2				30	$4,143
Task 2d	**Situation Appraisal**											
		10	16	42	46	88	10	0	0	0	212	$28,885
2d.1	Local Plans & Documents Review	2	2	8	12	20	4				48	$6,145
2d.2	Transit Information Technology Assessment	2	4	8	8	16	1				39	$5,506
2d.3	Agency Organizational Assessment	2	4	8	8	16	1				39	$5,506
2d.4	Situational Appraisal Preparation	2	4	12	12	24	2				56	$7,585
2d.5	Situational Appraisal Chapter Document	2	2	6	6	12	2				30	$4,143
Task 2e	**Goals & Objectives (mostly HART staff)**											
		4	5	14	10	16	4	0	0	0	53	$7,891
2e.1	Situation Appraisal & Public Input Integration	1	1	4	4	4	1				15	$2,192
2e.2	Draft Goals & Objectives Development	1	2	4		2	1				10	$1,747
2e.3	Goals & Objectives Chapter Document	2	2	6	6	10	2				28	$3,952
Task 2f	**Mobility Needs & Analysis of Alternatives**											
		5	10	26	30	48	6	0	0	0	125	$17,122
2f.1	Transit Needs Development & Assessment	1	4	10	12	16	2				45	$6,161
2f.2	Alternatives Identification & Evaluation	2	4	10	12	20	2				50	$6,818
2f.3	Mobility Needs & Analysis of Alts. Chapter Document	2	2	6	6	12	2				30	$4,143
Task 2g	**Transit Demand Assessment**											
		2	4	24	40	108	2	0	0	0	180	$21,195
2g.1	Transit Services Demand Estimation	1	2	20	32	100					155	$17,859
2g.2	Transit Demand Chapter Document	1	2	4	8	8	2				25	$3,336
Task 2h	**FY 2023-2032 Ten-Year Implementation Program**											
		4	8	22	34	44	4	0	0	0	116	$15,585
2h.1	Ten-Year Implementation Plan	2	4	10	24	32	1				73	$9,304
2h.2	Ten-Year Financial Plan (HART staff)	1	2	6	4	4	1				18	$2,795
2h.3	Performance Monitoring	1	2	6	6	8	2				25	$3,486
Task 3	**Document Production & Delivery**											
		6	8	20	16	32	24	0	0	0	106	$13,954
3.1	Draft TDP Report	2	4	8	8	16	2				40	$5,579
3.2	Draft TDP Executive Summary	2	2	8	4	8	10				34	$4,500
3.3	Final TDP Documents	2	2	4	4	8	12				32	$3,875
	Total Direct Labor (all tasks, all consultants)	55	97	278	308	580	104	48	76	102	1,648	$216,873
	Sub-Consultants											
	Valerin - Public Outreach and Engagement (DBE)										226	$27,756
	Total Fee											**$216,873**
	DBE Budget											**$27,756**
	Percent DBE											**12.80%**

FIGURE 3-2: *Spreadsheet comparison showing savings from transferring tasks to HART staff.*
Source: HART's Chief Delivery Officer, Capital Development.

> **SUBTASK 3.4 – Identify possible opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities (e.g., other counties, etc.).**

OVERALL CONCLUSION

Overall, HART meets subtask 3.4. To come to this conclusion, the MJ Team interviewed program administrators and reviewed the cooperative contracts HART entered into with its peer agencies to develop a new regional fare instrument and joint fuel purchase.

ANALYSIS

HART has a long tradition of working with peer agencies in the Tampa Bay area to find creative ways to implement cost-effective approaches to procure goods and services. Two examples of this were provided by HART staff – Flamingo Fares, a new regional fare card, and the Cooperative Fuel Delivery contract.

Flamingo Fares

In November of 2012, HART convened a Regional Working Group consisting of transit agencies and transit providers from Florida Department of Transportation (FDOT) District 7 (Hillsborough, Pinellas, Pasco, Citrus and Hernando Counties) and District 1 (Sarasota, Polk, and Manatee Counties). This group was convened to develop a regional approach to revenue collection to, not only modernize the process of the collection of fixed-route fares, but also enhance the mobility of passengers between its respective jurisdictions.

This discussion continued for two years and during 2014, the Regional Working Group refined the vision to accelerate the delivery of a Regional Smart Card and regional fares to customers using a variety of modern channels including mobile payments and a robust third-party sales network. The Regional Revenue Collection and Inter-Jurisdictional Mobility Project-Concept of Operations report was issued on November 14, 2014.

The goal is to create an electronic fare payment infrastructure that will be deployed regionwide; using third-party produced and distributed prepaid cards and contactless devices such as smart cards, credit and debit cards, RFID tags, secure bar codes and NFC devices. The new state-of-the-art, integrated, electronic fare payment, distribution, collection and processing system will utilize best practices of modern technologies in the consumer and fare payment sectors, capable of interfacing with both bank and non-bank financial clearing systems for transaction processing and settlement. **Figure 3-3** shows the planned graphical look for the new Flamingo cards.

FIGURE 3-3: *Planned Flamingo Card.*
Source: HART.

In 2016, the project moved into the procurement phases, with design work commencing. Implementation began in 2017, with the initial onboard installations. Testing work and refinements continued in the next few years, with the base system accepted at the end of 2020. As of July 16, 2022, the project information sheet shows the project is 94% complete and within budget.

Figure 3-4 shows the tracking spreadsheet used to monitor project status.

REGIONAL INTER-JURISDICTIONAL MOBILITY PROJECT (Flamingo Fares)					
				UPDATE DATE:	2022-07-16
Project Start Date:	2016-03-03	**Project Completion Date:**	2022-12-01	*** Percent Complete - Value:**	94%
Director & Project Manager:	Lynda Crescentini	**Department:**	Finance, Operations & PMO	*** Percent Complete - Schedule:**	94%
Major Stakeholders:	HART/PSTA/The Bus				
Project Objective	Flamingo Fares is a regional electronic fare collection system that will allow interoperability within FDOT District 7 (Hillsborough, Pinellas, and Hernando), while providing a seamless common fare media for its passengers throughout the Tampa Bay region. This common fare media will not only modernize the process of fare collection by allowing riders pay electronically, but also will enhance the mobility of passengers between its respective jurisdictions by alleviating the need for customers to carry multiple fare medias with different county specific products on them. The Flamingo Fares system will offer customers the ability to purchase a plastic, reloadable smart card that they can load money onto to pay their transit fare, and manage using an online account/mobile app. Mobile App. Feature: Riders can simply tap their card or scan their app onto a validator every time they ride instead of having to carry a paper ticket or pass, or carry exact change. Customers can add money to their Flamingo Fares card or app anywhere, anytime, and save money with pay-as-you-go passes day passes and monthly passes. Customers will also have the option of stored value loading. Customers will be able to purchase a physical Flamingo Fares Card at transit centers and retail locations. **Expected Outcomes** - Reduced costs associated with cash and coin handling and reconciliation, and sales and management of paper fare, and institutional accounts. - Improved operational efficiencies, technology and modernization of on-board equipment, and transit center customer workstations. - Improved service by reducing boarding times and fare evasion, gaining aggregate data, and improving inter-regional mobility. - Increases options and convenience for customers to pay transit fare that result in increased ridership and more riders by choice.				

FIGURE 3-4: *Project spreadsheet tracking milestones and budget.*
Source: HART.

Cooperative Fuel Contract

HART works with peer agencies to identify ways to control costs. For example, HART has been the lead agency for cooperative diesel and unleaded fuel contracts for the past 13 years. Participating agencies are:

- HART as the lead agency
- Hillsborough County; Polk County
- City of St Petersburg; Pinellas Suncoast Transit Authority
- Lakeland Area Mass Transit

The current contract was entered into in 2019 for a one-year term, with four one-year options. The FY 23 contract renewal was exercised in July 2022.

A specific assessment of the savings was not provided, but the bulk purchase allows for economies of scale. The contract price for 2023 varies depending upon vendor but the bulk purchase allows the consortium to realize a price of $0.14-$0.15 over the OPIS (Oil Price Information Service) price per diesel gallon for Transport Truck Delivery. This pricing advantage allows the consortium to achieve a price per gallon at a small premium over the wholesale rack rate, and lock in the rate for a year. Locking in the rate allows the participating agencies to have a known fuel cost during the contract year and isolates the agencies from price swings. During periods of rising fuel costs, the savings during the year can be substantial.

RESEARCH TASK 4

FINDING SUMMARY

GOALS, OBJECTIVES, AND PERFORMANCE MEASURES USED BY THE PROGRAM TO MONITOR AND REPORT PROGRAM ACCOMPLISHMENTS.

Overall, Hillsborough Transit Authority (HART) partially met this research objective.

Program goals and objectives for Transportation Operations and the Project Management Office are included in the Success Plan and are clearly stated, measurable, and consistent with HART's Transit Development Plan (TDP) or strategic plan. However, documentation was not provided to determine if goals and objectives can be achieved within budget. While HART uses various performance measures which provide progress toward meeting program goals and objectives, additional performance measures required in the TDP and Success Plan are not used to evaluate program performance and the Success Plan's Performance Scorecard lacks updating since Fiscal Year 2020. HART should ensure that all required performance measures are reported at least annually and document the required Capital Development performance measures including completing projects within schedule and budget. Internal controls such as policies and procedures provide reasonable assurance that program goals and objectives will be met.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 4.1 – Review program goals and objectives to determine whether they are clearly stated, measurable, can be achieved within budget, and are consistent with HART's strategic plan.

OVERALL CONCLUSION

Overall, this subtask is partially met. Program goals and objectives for Transportation Operations and Project Management Office are included in the Success Plan and are clearly stated, measurable, and consistent with HART's strategic plan. However, documentation was not provided to determine if goals and objectives can be achieved within budget. To address the requirements of this subtask, the MJ Team interviewed senior management and reviewed the goals and objectives maintained in HART's Transit Development Plan and Success Plan.

ANALYSIS

Transit Development Plan Update (Strategic Plan)

A Transit Development Plan (TDP) is a multi-year financial and operating plan for a transit agency. The Florida Department of Transportation (FDOT) requires public transit providers receiving State funding to develop and adopt a TDP as explained in Chapter 14-73.001, *Florida Administrative Code*. All transit agencies are required to prepare a five-year major TDP and an annual update in

the form of a progress report each year. The HART Board adopted the last major TDP update on September 25, 2017. The plan established eight goals to focus the organization's efforts:

Goal 1: Continue to Enhance the Financial Condition

OBJECTIVES:

- Manage system costs effectively
- Regularly evaluate system/route productivity and implement route, area, and/or system- based efficiency improvements
- Seek additional funding for services and programs
- Identify and evaluate other opportunities to enhance revenues
- Incentivize private-sector and community transit investments

Goal 2: Improve Mobility and Accessibility

OBJECTIVES:

- Provide faster, more frequent services (bus every 10-15 minutes during peak travel times) in areas with high existing ridership and higher population and employment densities streamlining routes and facilities
- Provide basic, low-frequency (bus every 30-60 minutes) transit service in areas of low existing ridership and lower density
- Increase transit ridership by maximizing operational performance and efficiency
- Participate in planning efforts evaluating strategies to serve a greater portion of the County's mobility needs by focusing on high-capacity corridors
- Coordinate with surrounding transit providers and regional agencies to address customer needs and connectivity, in particular as part of the identified regional spine and gateway areas
- Improve access to employment centers
- Complete accessibility improvements at stops and facilities
- Ensure that the service addresses the mobility needs of transit dependent passengers
- Coordinate with local jurisdictions, planning agencies and the development community to encourage transit-supportive development patterns and investments
- Connect transit services with mixed use centers
- Support community initiatives that align affordable housing with transit service

Goal 3: Enhance Customer Focus

OBJECTIVES:

- Continue to improve service reliability and on-time performance.
- Expand fare payment options.
- Enhance the user-friendliness of customer information and expand its availability while ensuring that traditional modes of communication are not neglected.
- Expand focus on customer service on all fronts (customer service center, buses, and transit centers).
- Expand the application of transit signal priority (TSP) to applicable corridors.
- Seek funding to implement energy and environmental initiatives.

Goal 4: Develop Effective Partnerships

OBJECTIVES:

- Coordinate with other transit agencies and governmental agencies on consortium purchases.
- Pursue partnership opportunities with the business community, particularly with large employers and employment centers.
- Coordinate with the City of Tampa in its pursuit of achieving a higher level of transit service to at least 80% of homes and businesses in the city.
- Coordinate with the City of Tampa in its pursuit of preserving and acquiring right-of-way for transit corridors.
- Support transit projects that promote economic development and job creation.
- Promote regional and local cooperation on transit issues and needs.

Goal 5: Deliver Capital Projects

OBJECTIVES:

- Prioritize multimodal accommodations when planning transit centers and ROW uses.
- Ensure that fleet, facilities, and infrastructure are maintained in a good state of repair.
- Seek funding to implement energy and environmental initiatives.
- Pursue the modernization of the TECO Streetcar service.

Goal 6: Maximize the Safety and Security of Employees, Passengers and the Public

OBJECTIVES:

- Maintain an up-to-date and comprehensive System Safety Program Plan (SSPP).
- Maintain an up-to-date and comprehensive System Security and Emergency Preparedness Plan (SSEPP).
- Reduce the number of accidents.
- Continue to implement improvements at facilities and stops to enhance safety and security throughout the system.
- Use appropriate planning and design criteria to promote community cohesion and avoid or minimize negative impacts to residential neighborhoods.

Goal 7: Foster a Thriving Internal Environment

OBJECTIVES:

- Pursue the expansion of HART's wellness program as well as partnerships within the community to enhance HART's brand as a healthy lifestyle choice.
- Identify the means to ensure that HART staff remain engaged with the local community on a regular basis.
- Develop a model for local employers to use for educating and encouraging employees on transit use and possible commuter benefits/incentives programs.

Goal 8: Embrace Innovative Practices and Systems

OBJECTIVES:

- Pursue the adoption of innovative technologies and innovations immediately and remain at the forefront of the adoption curve.
- Invest to position HART as a pioneer of new technologies across the organization by supporting technology-driven transit services such as HyperLINK and other novel services.
- Implement programs and technology to make the service more attractive and easier to use.

HART's Success Plan FY2021

HART's Success Plan is comprised of three sections, each aligned with components of the performance management process described below:

1. Definitions of Success, which includes outcomes that signal success for the fiscal year ending September 30, 2021.

2. Performance Scorecard, a quarterly scorecard to monitor and report on how HART is performing in efforts to achieve its outcomes.

3. Work Plan, an actionable strategy tied to budget that enables HART teams to deliver the outcomes.

The plan includes a performance scorecard that can be used to measure and monitor performance at all levels of the organization. An important objective of the scorecard is to share with employees and stakeholders how HART is performing each quarter of the year in achieving its goals and outcomes. The scorecard provides measures of performance in each of HART's four key areas of focus:

1. ***Customer Experience:*** Customer-centric initiatives, increasing customer satisfaction

2. ***Community Value:*** Community sentiment, partnerships

3. ***Employee Success:*** Organization realignment, engagement, talent development

4. ***Financial Performance:*** Financial sustainability, improving service productivity

Figure 4-1 presents the performance scorecard for the Customer Experience focus area.

BUILDING A CULTURE OF EXCELLENCE — FY2021 HART PERFORMANCE SCORECARD

KEY AREA OF FOCUS	METRIC	PERFORMANCE		POINTS	
		GOALS	RESULTS	GOAL	EARNED
CUSTOMER EXPERIENCE HART achieves annual increases in Customer Satisfaction on a comprehensive basis.	**Overall Customer Satisfaction** Satisfaction with overall quality of service by Fixed Route and Paratransit as determined in Customer Satisfaction Survey results	86%		12	
	Customer Comment Resolution Measures how timely customer inputs are resolved	90% of customer inputs are resolved within 10 working days		8	
	On-Time Performance Bus & Street Car Measures how closely service runs to schedule. Departures are considered on-time, if made between -1 and 5 minutes after scheduled departure times	Bus - 77%		2	
		Streetcar - 99%		2	
	On-Time Performance Paratransit Measures percentage of Mobility customer pickups made within 30-0 minutes from the scheduled pickup times	Paratransit - 90%		2	
	Safety and Security Events Safety & security reportable events	Fewer than 1 Safety Event per 100k miles		4	
TOTAL				30	

FIGURE 4-1: *HART developed a performance scorecard to assess program performance.*
Source: HART Fiscal Year 2021 Success Plan.

Program Work Plans and Goals per Success Plan Align with TDP

With clarity of success outcomes and key areas of focus, specific tactics have been identified for organizational alignment on activities to contribute to successful program outcomes. Tactics are assigned an owner within the agency responsible for spearheading activities and driving the project to completion. Several tactics outlined in each of the four key area work plans include quarterly milestones detailed. These milestones help to keep the project on schedule and budget.

The following Success Plan goals apply to the Customer Experience focus area for bus operations, streetcar operations, paratransit operations, and capital project management. The overall objective to achieve annual increases in customer satisfaction and department goals are clearly stated, measurable, and consistent with the TDP strategic goal #3 Enhance Customer Focus.

1.1 Customer Experience: On-Time Performance – Bus Operations

Goal: Measure how closely routes operate to schedule to ensure customers arrived on time and are able to connect to other routes on time.

Goal: Buses will arrive at scheduled time points no more than 1 minute early or 5 minutes late – 77% or better.

- Track arrival times to schedules time points and evaluate factor affecting timely arrivals.
- Routes will be adjusted by mark-up as a result of on-time performance data.
- Implement markup for appropriate route enhancements to improve on-time performance.
- Update and implement internal/external communication campaign.
- Conduct bi-weekly markup review meetings.
- Evaluate performance and establish goal for Fiscal Year 2022.

1.2 Customer Experience: On-Time Performance – Streetcar

Goal: Measure how closely service runs to schedule. Departures are considered on-time, if made between 1 and 5 minutes after the scheduled departure times – 99% or better.

- Track arrival times to scheduled time points and evaluate factors affecting timely arrivals.
- Evaluate streetcar schedules for better connectivity with HART fixed route schedules.
- Implement markup to enhance streetcar schedules if needed.
- Evaluate performance to establish goal for Fiscal Year 2022.

1.3 Customer Experience: Paratransit Operations Productivity

Goal: Measure percentage of Mobility customer pick-ups made within the 30-0 minutes from scheduled pick-up.

- Operations and Service Development will conduct a quarterly report to establish the On Time Performance of the Department. Through the use of the data collected from the onboard Mobile Data Terminals and the Trapeze software. Current On Time Performance goal is 90%.
- Once collected, analysis of the data and corrective measures established to improve the performance, should actions be warranted.

- Analyze travel trainers' campaign to develop strategies for Fiscal Year 2022.

1.4 Customer Experience: Project Management Office

<u>Goal</u>: Complete tactics/projects as submitted to the Independent Oversight Committee (IOC) pending transportation funding availability.

- *Planning & Design Support for Capital Projects:* Project Management Office provides architectural and engineering services.

- *Bus Transit Infrastructure Improvements:* Project Management provides design services bus bays, shelters and pad, sidewalk continuity, and drainage and survey support.

- *Farebox Technology Upgrades:* This project will develop and implement a comprehensive and secured Farebox system.

As indicated in **Figure 4-2**, the goals in the Success Plan areas align with the goals in the Transit Development Plan.

Goals Per Transit Development Plan	Goals per Success Plan and Program Owners/Lead
Continue to Enhance the Financial Condition including manage system costs effectively	**Financial Performance: HART financial performance at the end of the year is consistent with the Financial Plan and actual revenues.** • Implement a strategically-aligned budget, and report budget results (monthly and quarterly): Finance • Engage in partnerships and sponsorships to increase non-traditional, discretionary revenues: Government Relations • Complete projects as submitted to the Independent Oversight Committee (including permanent fueling, vehicle repair and equipment programs, maintenance software, and enterprise resource planning): PMO, Maintenance, Service Development, Procurement
Improve Mobility and Accessibility including faster, more frequent services	**Deployment of Autonomous Mobility Service: Service Development** • On time Performance: Bus, Streetcar, Paratransit Operations
Enhance Customer Focus including service reliability and on-time performance	**Customer Experience: HART achieves annual increases in Customer Satisfaction on a comprehensive basis.** • Deployment of Autonomous Mobility Service: Service Development • On time Performance: Bus, Streetcar, Paratransit Operations • Productivity - Paratransit • Customer Concerns Response Time: All Departments • Customer Satisfaction Survey: Paratransit • Compressor Station/Equipment/Transit Center: Maintenance, Project Management Office (PMO) • Call Center Renovation/Transit Center: Operations-PMO, Maintenance • Safety and Security Events: Safety **Bus Stops and Shelters Program/Electric Buses/Vehicle Sanitation: Operations** • E-Fare Revenue Collection: Finance

Goals Per Transit Development Plan	Goals per Success Plan and Program Owners/Lead
	• Intelligent Transportation System/Radio Communications: Maintenance • Streetcar Rehabilitation: Streetcar Operations • Right of Way Infrastructure Upgrades: Operations/PMO • Transit Asset Management (TAM) Policy: Maintenance • Vehicle Availability: Maintenance • Mean Distance Between Failure: Maintenance • Projects submitted to the Oversight Committee including Planning & Design Support for Capital Projects, Infrastructure Improvements, Farebox and Vehicle Technology Improvements: Project Management Office (PMO), Information Technology
Develop Effective Partnerships	• Engage in partnerships and sponsorships to increase non-traditional, discretionary revenues: Government Relations
Deliver Capital Projects including infrastructure maintained in a good state of repair and modernization of streetcar service	• Support for Capital Projects, Infrastructure Improvements, Farebox and Vehicle Technology Improvements: Project Management Office (PMO), Information Technology
Maximize the Safety and Security of Employees, Passengers and the Public	• Enhancement of Physical Security Infrastructure: Operations, Communications & Marketing • Security Surveillance Systems on Facilities: Safety
Foster a Thriving Internal Environment	**Employee Success: HART achieves annual increases in Employee Engagement levels.** • Critical Network Infrastructure Replacements and Software Upgrades: Technology • Employee Engagement: Communications & Marketing • Enhancement of Physical Security Infrastructure: Operations, Communications & Marketing • Operator Control Center Remodel Project: Operations, Maintenance, PMO • Security Surveillance Systems on Facilities: Safety • Professional Development: Human Resources • Transit Supervisor Vehicle Computers Upgrade: Technology, Maintenance Operations • Projects as Submitted to the Independent Oversight Committee: Maintenance, Technology **Community Value: HART achieves annual increases in customer satisfaction on a comprehensive basis.** • Improve Customer Amenities: Operations, Safety, PMO • CSX Facility Study: Service Development, PMO • Increase Awards to Qualifying Disadvantaged/SBE Firms: Community Engagement • Tampa Arterial Corridor Study: Service Development, PMO • TOD Pilot Plan: Service Development

Goals Per Transit Development Plan	Goals per Success Plan and Program Owners/Lead
	• Quarterly Covid Ridership Updates: Service Development • Projects submitted to the Independent Oversight Committee including Electric Bus Infrastructure & Employee Parking Satellite Facility, Vehicle Replacements, Facility and Fleet Storage Expansions: PMO and Maintenance
Embrace Innovative Practices and Systems including new technologies to make service more attractive and easier to use.	• Vehicle Technology Improvements: Project Management Office (PMO), Information Technology • Transit Supervisor Vehicle Computers Upgrade: Technology, Maintenance Operations

FIGURE 4-2: *Examples of alignment of Success Plan operations' goals with the Transit Development Plan. Source: HART Fiscal Year 2021 Success Plan and Transit Development Plan.*

Although program goals and objectives in the Success Plan align with the TDP **(Figure 4-2)** documentation was not provided to demonstrate whether goals and objectives can be achieved within budget.

> **RECOMMENDATION 4.1 – Maintain documentation verifying that goals and objectives can be achieved within budget.**

> **SUBTASK 4.2 – Assess the measures, if any, HART uses to evaluate program performance and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives.**

OVERALL CONCLUSION

Overall, this subtask is partially met. While HART's departments maintain and report various performance measures, the Success Plan's Performance Scorecard lacks updating since Fiscal Year 2020. To address the requirements of this subtask, the MJ Team interviewed senior management and reviewed the performance measures documented in various reports and files.

ANALYSIS

As shown below in **Figure 4-3**, performance measures and outcomes are provided in the referenced documents.

Transit Development Plan Metrics	TDP FY2017 Target	Success Plan Performance Card FY2021 Target	Annual Financial Statement Metrics	Other Reports
Passengers Per Revenue Hour	21.8	None	None	None

Transit Development Plan Metrics	TDP FY2017 Target	Success Plan Performance Card FY2021 Target	Annual Financial Statement Metrics	Other Reports
Operating Cost per Revenue Mile	$7.10	None	Operating Cost per Revenue Mile	N/A
Collisions per 100,000 Revenue Miles	0.55	Less than 1	None	None
Complaints Per 100,000 Passengers	None	90% resolved in 10 days	None	None
Mean Distance Between Failures	7,749+	None	None	Maintenance Dept. Monthly Summary Report: Bus and Van MDBF and Monthly Board Report
On-Time Performance	81.5%	Bus: 77% Streetcar: 99% Paratransit: 90%	None	Monthly Board Report for Bus and Van; Streetcar Performance Report
Annual Investment per Capita	None	None	None	None
Rider per Revenue Mile	None	None	Ridership per Revenue Mile	N/A
Operating Cost per Capita	None	None	None	None
Operating Cost per Passenger Trip	None	Bus: $7.50 Streetcar: $2.60 Paratransit: $26.00	Operating Cost per Rider	N/A
Operating Cost per Passenger Mile	None	None	Operating Cost per Total Mile	N/A
Farebox Recovery (%)	None	None	Percentage of Passenger Fare to Operating Cost	N/A
Revenues Miles per Total Vehicles	None	None	None	None
Vehicle Miles Per Gallon	None	None	None	Maintenance Dept. Monthly Summary Report: Bus and Para MPG
Average Fare	None	None	Average Fare per Rider	N/A

FIGURE 4-3: *Examples of Performance Measures.*
Source: Transit Development Plan and Financial Statements.

Capital Project Performance Measures

The MJ Team reviewed the Capital Development Projects spreadsheets which contain vital information regarding the project status. The spreadsheet is used by the Capital Development Team to monitor if projects are completed on time and within scope and budget. The spreadsheets show the preliminary schedule versus actual schedule for milestones such as project start date and completion date in addition to the final budget versus total cost status.

Although the Transport Development Plan (TDP) and Success Plan include goals and objectives for Capital Projects Delivery, the documents lack identification of specific performance measures.

Operations - Fleet Maintenance Monthly Performance Report

Fleet Maintenance issues a monthly report of actual and historical costs and performance metrics for over 30 different attributes. Management stated that the monthly report is to monitor outcomes for trend analysis and the status of meeting benchmarks, as well as to identify opportunities for improvement. Although most of the report contains monthly comparisons of outcomes, it includes the bus and van mean distance between failures trend analysis and bus and paratransit miles per gallon comparison. The report includes two areas benchmarked either against industry standards or Federal standards as shown in **Figure 4-4**.

Criteria	HART's Goal	Benchmark
AM Pull-Out Asset (Fleet) Availability	85%	Industry Standard: 80%
FY2022 Preventative Maintenance Inspection Compliance	100%	FTA and FDOT 80% on-time

FIGURE 4-4: *The Operations Department benchmarks some performance measures versus external sources. Source: Maintenance Department Monthly Summary, May 2022.*

HART also includes performance metrics in the annual financial statements report as shown in the following **Figures 4-5** through **4-7**.
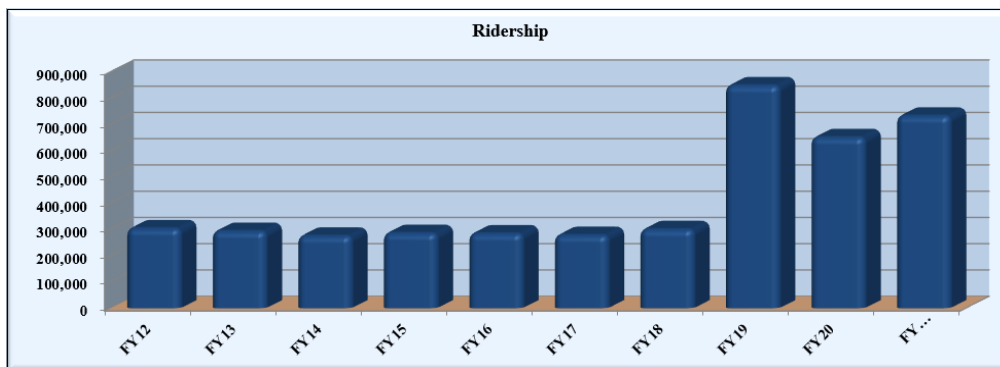
HILLSBOROUGH TRANSIT AUTHORITY TREND OF BUS SERVICE FY2017 to FY2021

	FY2017	FY2018	FY2019	FY2020	FY21
STATISTICS					
Total Miles	9,294,792	8,450,701	9,056,592	7,713,928	7,652,872
Revenue Miles	8,324,037	7,730,066	8,199,394	7,135,272	7,187,617
Total Hours	696,251	660,283	692,964	595,430	602,434
Revenue Hours	656,116	631,317	662,198	574,098	584,719
Vehicle Trips	599,725	694,737	681,158	590,513	596,336
Ridership	12,901,178	11,586,334	12,032,360	8,343,331	5,784,404
Positions	684.0	646.0	677.0	640.0	624.0
REVENUES					
Passenger Fares	$12,825,045	$11,455,183	$11,477,437	$8,265,314	$5,746,646
Ad Valorem	$33,967,084	$36,958,839	$40,760,104	$46,435,486	$49,135,127
Operating Grant Revenues	$14,898,215	$15,118,795	$16,829,916	$30,800,393	$36,100,159
Other Revenues	$1,599,991	$4,528,343	$4,652,989	$4,037,992	$3,229,204
Total Operating Revenues	$63,290,335	$68,061,160	$73,720,446	$89,539,185	$94,211,136
EXPENSES					
Total Operating Expenses	$72,191,976	$69,518,173	$79,232,697	$81,694,363	$76,963,257
KEY OPERATING INDICATORS					
Operating Cost per Total Mile	$7.77	$8.23	$8.75	$10.59	$10.06
Operating Cost per Revenue Mile	$8.67	$8.99	$9.66	$11.45	$10.71
Ridership per Revenue Mile	1.55	1.50	1.47	1.17	0.80
Operating Cost per Rider	$5.60	$6.00	$6.58	$9.79	$13.31
Average Fare per Rider	$0.99	$0.99	$0.95	$0.99	$0.99
Percentage of Passenger Fare to Operating Cost (Fare Recovery)	17.8%	16.5%	14.5%	10.1%	7.5%

Note:

Total bus operating revenues does not include transportation surtax revenue as it is not available for use pending litigaton. Total bus operating expenses include salaries, fringes, fuel & lubricants, parts & supplies, contracted services, claims, utilities, marketing and other miscellaneous expenses which are not directly attributable to paratransit or streetcar. It does not include operating expenses reimbursed by grants or depreciation.

FIGURE 4-5: *HART uses performance measures to assess program performance.*
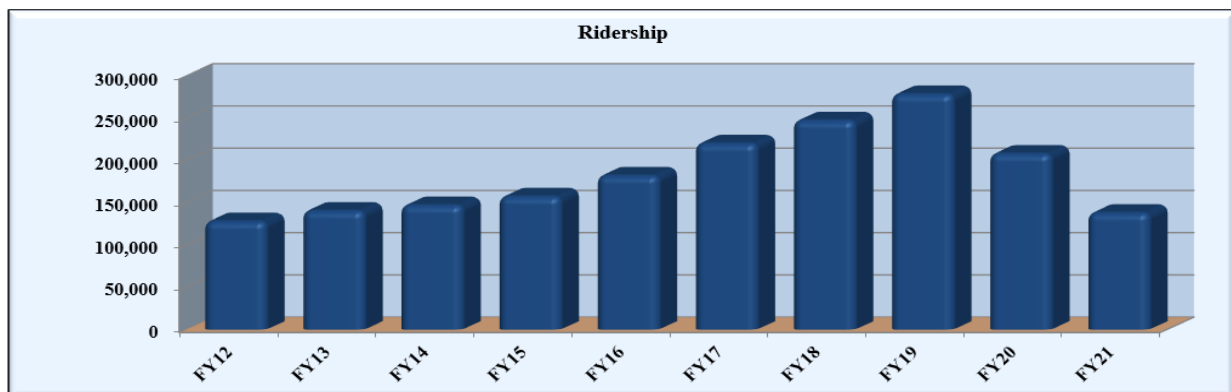*Source: HART Fiscal Year Y2021 Annual Comprehensive Financial Report.*

HILLSBOROUGH TRANSIT AUTHORITY TREND OF STREETCAR SERVICE FY2017 to FY2021					
	FY17	**FY18**	**FY19**	**FY20**	**FY 2021**
STATISTICS					
Total Miles	73,183	62,460	117,636	116,357	127,879
Revenue Miles	72,666	60,468	114,855	115,874	124,055
Total Hours	13,659	11,575	21,982	21,960	23,620
Revenue Hours	13,576	11,508	20,758	21,842	23,564
Vehicle Trips	28,760	24,984	43,539	44,424	48,862
Ridership	280,601	302,872	850,853	653,232	712,693
Positions	19.0	24.0	29.0	30.0	25.0
REVENUES					
Passenger Fares	$550,298	$329,016	$5,841	$0	$0
Ad Valorem	$0	$0	$0	$0	$0
Operating Grant Revenues	$1,132,969	$1,246,219	$2,241,425	$2,555,932	$2,540,253
Other Revenues	$18	$115	$81	–$3,246	$89,550
Total Operating Revenues	$1,683,285	$1,575,350	$2,247,347	$2,552,686	$2,629,803
EXPENSES					
Total Operating Expenses	$1,687,448	$1,577,705	$2,247,347	$2,561,056	$2,629,803
KEY OPERATING INDICATORS					
Operating Cost per Total Mile	$23.06	$25.26	$19.10	$22.01	$20.56
Operating Cost per Revenue Mile	$23.22	$26.09	$19.57	$22.10	$21.20
Ridership per Revenue Mile	3.86	5.01	7.41	5.64	5.74
Operating Cost per Rider	$6.01	$5.21	$2.64	$3.92	$3.69
Average Fare per Rider	$1.96	$1.09	$0.01	$0.00	$0.00
Percentage of Passenger Fare to Operating Cost (Fare Recovery)	32.6%	20.9%	0.3%	0.0%	0.0%

Note :

Total streetcar operating expenses include those expenses directly attributable to streetcar service which include salaries, fringes, fuel & lubricants, parts & supplies, contracted services, claims, utilities, marketing and other miscellaneous expenses. It does not include operating expenses reimbursed by grants or depreciation. Through a grant from Florida Department of Transportation, starting October 2018 free fares are now offered on the streetcar. While there is still a small amount of special event revenue taken in, this schedule shows the sharp drop in Passenger Fares while the ridership and other statistical data reflects a sharp increase.

FIGURE 4-6: *HART uses performance measures to assess program performance.*
Source: HART Fiscal Year 2021 Annual Comprehensive Financial Report.

HILLSBOROUGH TRANSIT AUTHORITY
TREND OF PARATRANSIT SERVICE
FY2017 to FY2021

	FY17	FY18	FY19	FY20	FY21
STATISTICS					
Total Miles	1,972,566	2,016,025	2,402,235	1,836,848	1,599,966
Revenue Miles	1,741,816	1,790,463	2,155,760	1,629,486	1,363,101
Total Hours	141,802	116,736	138,070	108,036	120,912
Revenue Hours	123,641	98,390	120,621	93,127	100,864
Vehicle Trips	206,914	231,467	175,867	126,483	129,316
Ridership	220,922	248,133	279,278	208,715	147,186
Positions	88.0	93.0	91.0	121.0	95.0
REVENUES					
Passenger Fares	$773,229	$792,382	$929,626	$764,680	$525,652
Ad Valorem	$3,542,355	$3,842,841	$4,074,830	$2,435,143	$3,995,228
Operating Grant Revenues	$2,768,455	$2,861,444	$2,992,853	$4,555,374	$4,751,039
Other Revenues	$429	$448	$410	$0	$409
Total Operating Revenues	$7,084,468	$7,497,115	$7,997,719	$7,755,197	$9,272,328
EXPENSES					
Total Operating Expenses	$7,084,468	$7,497,115	$7,997,719	$7,755,197	$9,272,328
Operating Cost per Total Mile	$3.59	$3.72	$3.33	$4.22	$5.80
Operating Cost per Revenue Mile	$4.07	$4.19	$3.71	$4.76	$6.80
Ridership per Revenue Mile	0.13	0.14	0.13	0.13	0.11
Operating Cost per Rider	$32.07	$30.21	$28.64	$37.16	$63.00
Average Fare per Rider	$3.50	$3.19	$3.33	$3.66	$3.57
Percentage of Passenger Fare to Operating Cost (Fare Recovery)	10.9%	10.6%	11.6%	9.9%	5.7%

Note :

Total paratransit operating expenses include those expenses directly attributable to paratransit service which include salaries, fringes, fuel & lubricants, parts & supplies, contracted services, claims, utilities, marketing and other miscellaneous expenses. It does not include operating expenses reimbursed by grants or depreciation. Ridership includes the Taxi Voucher Program.

FIGURE 4-7: *HART uses performance measures to assess program performance.*
Source: HART Fiscal Year 2021 Annual Comprehensive Financial Report.

Transportation, Maintenance & Service Development Monthly Board Report

This report provides monthly performance data to the board. Fleet, Facilities, Transportation and Service Planning Departments collaborate to generate the report. **Figures 4-8** and **4-9** presents excerpts from the May 2022 report included in the July 2022 board packet.

Ridership

On-Time Performance (OTP)

Bus	
Total Trips / Trips Completed %	44,716 / 99.8%
Paratransit	
Drop-off	96.61%
Pick-up	83.37%
Total Trips / Trips Completed %	15,183 / 96.54%
Streetcar	
Total Trips / Trips Completed %	4,130 / 99.48%

FIGURE 4-8: *HART uses performance measures to assess operations performance.*
Source: July 2022 Monthly Board Report.

Maintenance

A.

Mean Distance Between Failures (Bus / Van)	4,630 / 9,955
PM Compliance (Bus / Para & Flex)	99% / 100% / 100%

FIGURE 4-9: *HART uses performance measures to assess operations performance.*
Source: July 2022 Monthly Board Report.

Streetcar System Performance Report

Operations staff present the Streetcar Performance Report to the Tampa Historic Streetcar Board of Directors monthly. The report provides a synopsis of monthly operations and maintenance results of the streetcar system. **Figure 4-10** presents an excerpt from the June 2022 report.

> **STREETCAR SYSTEM PERFORMANCE REPORT FOR JUNE 2022**
>
> **MISSED TRIPS**
>
> The TECO Line Streetcar System delivered 98.77 % of the contracted 4076 trips for June with 49.75 reported missed trips. The missed trips were caused by mechanical issues (31.5 trips) and a shortage of Operators (8 trips), flooded track (7 trips), the accident on June 26th (3 trips) and a schedule adjustment (.25 trips).
>
> **ON-TIME DEPARTURES**
>
> In June, there were 15 reported late departures; OTP was 99.63 %.
>
> **ACCIDENTS/INCIDENTS**
>
> There were two accidents in June:

FIGURE 4-10: *HART uses performance measures to report the outcomes of streetcar operations. Source: June 2022 Streetcar System Performance Report.*

As indicated in **Figure 4-3,** additional performance measures identified in the TDP and Success Plan are not used to evaluate program performance including the following:

- Passengers per revenue hour
- Collisions per 100,000 revenue miles
- For customer complaints, 90% resolved in 10 days
- Annual Investment per capita
- Operating cost per trip
- Operating cost per revenue hour

> **RECOMMENDATION 4.2 – Ensure that all required performance measures are reported at least annually and document the required Capital Development performance measures including completing projects within schedule and budget.**

> **SUBTASK 4.3 – Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.**

OVERALL CONCLUSION

Overall, HART met this subtask. Internal controls such as policies and procedures provide reasonable assurance that program goals and objectives will be met. To accomplish the requirement, the MJ Team interviewed senior management and reviewed the following documents in the analysis.

ANALYSIS

HART uses various reports and policies and procedures to provide reasonable assurance that program goals will be met as follows.

Performance Management Monitoring and Reporting

The Success Plan includes a Performance Scorecard to monitor and report on how HART is performing in efforts to achieve its outcomes. The plan also includes metrics, goals, and results for the following areas.

Project Management Standard Operating Procedures Manual

This manual is effective December 22, 2021, and states that the Project Management Office (PMO) is responsible for the centralized and coordinated management of all projects. Key requirements in meeting program goals and objectives include the following:

- Project controls such as monitoring and assessing overall project status in meeting the project schedule, budget, and quality.

- Design management consisting of design standards to comply with HART Design Criteria and also governed by federal, state, and local laws and regulations, including federally mandated Americans with Disabilities Act (ADA) requirements.

- Procurement/Contracts approach as governed by various HART policies and procedures and FTA's Best Practices Procurement Manual.

- Construction management including monthly report meetings, inspections, progress payments, and contract close-out procedures.

- Quality management to provide independent review of quality control procedures and final product quality.

HART Board Policies

Figure 4-11 displays the key components for HART's board policies and program goals.

Board Policy	Key Specifications in Meeting Program Goals
120.7 Strategic Planning	The Board develops and adopts a strategic plan as a guide for implementing HART's vision, mission, core values and goals and cover a five-year period. Reviewed and updated as needed concurrent with preparation of the annual budgets.
920 General Fiscal Policies	Annual operating budget shall balance the public transit needs of the community with fiscal capabilities with the intent to achieve the goals and objectives established by the Board and pursuant to the Transit Development Plan (TDP).
Capital Improvement Budget	HART shall implement a Capital Improvement Budget which schedules the funding and construction of projects for a five-year period. The CIP Program shall balance the needs for improved public facilities as identified in the TDP.

Board Policy	Key Specifications in Meeting Program Goals
940 Capital Improvement Program & Policy	The 5-year CIP shall be updated as part of the annual budget. Revisions shall be consistent with established strategic goals and objectives and intent of the TDP.

FIGURE 4-11: *HART Board Policies and Program Goals.*
Source: HART Board.

SOP Operations

HART maintains SOPs for activities in operations, maintenance, planning, scheduling, and emergency plans. The primary SOP state goals for HART related to the operation of service and procedures for meeting those goals.

Maintenance and Transportation Budget Monthly Report

The Budget Monthly Report was developed to analyze and review department budgets for trends and efficiencies. The Budget Monthly Report is created using the Jet Hub application to generate a budget to actuals report on the 15th of each month when Finance closes out HART monthly financials. The Budget Monthly Report extracts from the budget to actuals is the general ledger accounts for each department within Maintenance and Transportation and summarizes a monthly Spend and Target Percentage Comparison.

Examples of how the Budget Monthly Report is used follows:

- Prepare cost analysis for planning and justification; fleet, facility equipment services, repairs, replacements, transportation program and grants.
- Identify proficiencies and streamline processes for procedure development and improvement.

Streetcar Operations Tracker

The Monthly/Annual NTD reporting spreadsheet tracks streetcar performance actual daily outcomes. Information tracked daily includes:

- Service Lost
- Extra Service
- Mileages
- Mean Distance Between Failures (MDBF)
- Preventive Maintenance and Repair Trends

Transit Development Plan

Transit Development Plan Update Fiscal Years 2021-2030. A Transit Development Plan (TDP) is a multi-year financial and operating plan for a transit agency. The Florida Department of Transportation (FDOT) requires public transit providers receiving State funding to develop and adopt a TDP as explained in Chapter 14-73.001, *Florida Administrative Code*. All transit agencies are required to prepare a five-year major TDP and an annual update in the form of a progress report each year. The HART Board adopted the last major TDP update on September 25, 2017. HART's TDP update emphasizes the following requirements of the annual update under Florida Statute 341.052 (Chapter 14-73).

- Past year's accomplishments compared to the original implementation program.

- Analysis of discrepancies, if any, between the plan and its implementation for the past year and steps that will be taken to attain original goals and objectives.

- Any revisions to the implementation program in the past year.

- Added recommendations for the new tenth year of the upcoming plan.

- Any revisions to the financial plan.

- A revised list of projects or services needed to meet the goals and objectives.

RESEARCH TASK 5

FINDING SUMMARY

THE ACCURACY OR ADEQUACY OF PUBLIC DOCUMENTS, REPORTS, AND REQUESTS PREPARED BY HART WHICH RELATE TO THE PROGRAM.

FINDING SUMMARY – Overall, HART met expectations for Task 5.

HART prepares and makes available in the public domain financial and non-financial information that is useful, adequate, and accurate. HART uses some internal data analytics to assess the adequacy of the data it provides to the public; however, a more formal evaluation process (report) to periodically evaluate the adequacy and accuracy of data is needed. This evaluation should address factors such as whether the information is relevant, useful, and reached its intended audiences. HART's website provides both adequate program performance and cost information. HART provided evidence that it has a process in place to ensure financial data available to the public is accurate and also has a process in place to ensure that incorrect, erroneous, and incomplete information is corrected in a timely manner.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 5.1 – Assess whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public.

OVERALL CONCLUSION

Overall, HART met expectations for subtask 5.1. To reach this conclusion, the MJ Team assessed HART's financial and non-financial information systems that provide useful, timely, and accurate information to the public.

ANALYSIS

To address the requirements of this subtask, the MJ Team conducted a joint interview with individuals in the following positions:

- Director of Customer Experience
- Manager of Marketing & Communications
- Board Administrator
- Chief Financial Officer

During interviews, it was stated that HART recently made a strategic change to move teams that communicate with the public under the Customer Experience Department to demonstrate the agency has a serious commitment to providing useful, timely, and accurate public

information. In interviews, HART leadership stated that they are committed to transparency and making information available to the public in an easily accessible and understandable format.

HART's website (**WWW.GOHART.ORG**) is the main tool where the agency keeps a wide range of information. The website includes "Transparency Pages", which are accessible, clearly labeled, easy to find and include several years of:

- Financial Policies: http://www.gohart.org/Pages/trans-fin-policies.aspx
- Budget Documents: http://www.gohart.org/Pages/trans-budget.aspx
- Financial Reports: http://www.gohart.org/Pages/trans-fin-reports.aspx
- Expenditures: http://www.gohart.org/Pages/trans-exp.aspx

Figure 5-1 provides sample financial and non-financial documents available to the public on HART's website.

Financial Information	Description/Purpose
Fiscal Year 2026 Transportation Improvement Program	The Transportation Improvement Program (TIP) is a list of major transportation projects to be funded over the next five years, and priorities for the next projects to be funded in the future. The TIP is the "short-range" component of the MPO's Long Range Transportation Plan. HART updates these priorities on an annual basis to maintain a new fifth year.
Hillsborough Transit Authority Policy Manual	HART is committed to financial transparency that provides comprehensive and unfiltered information about its fiscal and financial operations. Financial policies and procedures have been established to direct the day-to-day financial activities of HART.
Fiscal Year 2022 Adopted Operating and Capital Budget	HART's budget documents provide the means for allocating financial resources to meet organizational goals and priorities. As part of its commitment, HART wants citizens to be informed about the budget process, sources of revenue and spending priorities.
2021 Monthly Expenses	Expenditures are broken down into four different categories: accounts payable, payroll, electronic transfers and purchasing card (P-Card) transactions. The data is raw data and therefore may not agree to any audited or published financial statements.
Fiscal Year 2021 Success Plan	The plan is in keeping with the performance management process, which is designed to drive employee engagement on work that contributes to HART's status as a best-in-class transit agency. This document is comprised of three sections, each aligned with components of the performance management process described below: 1. Definitions of Success, which includes outcomes that signal success for the fiscal year ending September 30, 2021. 2. Performance Scorecard, a quarterly scorecard to monitor and report on how HART is performing in efforts to achieve our outcomes.

Financial Information	Description/Purpose
	3. Work Plan, an actionable strategy tied to budget that enables HART teams to deliver the outcomes.
Fiscal Year 2021 Productivity and Ridership	The Productivity and Ridership workbook include information on ridership subtotaled for all HART services, compared by fiscal year annually and monthly, as well as calculations for ridership changes. The ridership reports provide information on HART program performance for the public.
Comprehensive Annual Financial Report (CAFR), Fiscal Year Ended September 30, 2020	HART's basic financial statements have been audited by Cherry Bekaert LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of HART for the fiscal year ended September 30, 2020, are free of material misstatement. The independent audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements; evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified, "clean" opinion that HART's financial statements for the fiscal year ended September 30, 2020, are fairly presented in conformity with GAAP.
Non-Financial Information	**Description/Purpose**
Transit Development Plan 2018-2027	The Transit Development Plan (TDP) is a strategic guide for improving public transportation in Hillsborough County over the next 10 years. The TDP includes funded and unfunded needs, service and capital priorities, and implementation and financial plans. The TDP must be updated annually in order to receive State Public Transit Block funds from the Florida Department of Transportation, and a major update is required every five years.
OneBusAway App	Smartphone application that provides real-time bus schedule information to riders. Detours and important alerts are also announced through this mobile app.
Social Media	Facebook, Twitter, Instagram, Nextdoor, LinkedIn, YouTube and TikTok platforms.
EthicsPoint	EthicsPoint provides an anonymous and confidential process to voice suggestions, concerns, or report misconduct. HART values input and encourages submitting feedback and reports to maintain HART as an ethical company.
2022 HART Board/ Committee Meeting Schedules and Agendas	HART ensures that when public meetings are held an agenda outlining the anticipated content of the meeting is made available to participants and minutes are written or recorded to inform attendees and non-attendees about what was discussed and what happened during the meetings. PowerPoint presentations and board documents are included in the meeting packets and made available after the meetings.
Public Meeting Video Replay	HART provides public meeting video replay for most meetings on the official HART YouTube channel, which allows citizens who were unable to attend in person the opportunity to view the contents of the meeting at their convenience.

FIGURE 5-1: *Documents obtained while reviewing HART's website.*
Source: the MJ Team.

SUBTASK 5.2 – Review available documents, including relevant internal and external reports, that evaluate the accuracy or adequacy of public documents, reports, and requests prepared by HART related to the program.

OVERALL CONCLUSION

Overall, HART partially met expectations for subtask 5.2. To reach this conclusion, the MJ Team assessed relevant internal and external reports that evaluate the accuracy and adequacy of public documents. Our interviews and data analysis showed that while the Customer Experience Department provided sufficient evidence of how it uses website analytics to measure adequacy of data, no formal report or process is in place to evaluate the adequacy and accuracy of the HART's public information overall.

ANALYSIS

To address the requirements of this subtask, the MJ Team interviewed the following positions:

- Director of Customer Experience
- Director of Digital Solutions
- Manager of Marketing & Communications

Additionally, HART provided the following information to inform our analysis:

- Data analytics regarding the website
- In-person feedback from customer contact meetings

HART's Customer Experience Department is primarily responsible for evaluating public documents for accuracy and adequacy. The department is comprised of five teams as shown in **Figure 5-2**.

Department Descriptions	
Department	**Description**
The Customer Service Team	Handles all incoming customer calls. The team assists customers with a variety of requests including bus route information and schedules, route familiarization, explaining policies and procedures, logging commendations, suggestions, and complaints, providing real-time bus information, entering public records requests, and booking trips for paratransit transportation.
The Paratransit Eligibility Team	Conducts face-to-face interviews to determine eligibility for the paratransit program. Travel Trainers provide in person training to people with disabilities who want to learn how to ride.

Department Descriptions	
The Community & Business Engagement Team	Conducts outreach through participation in presentations, group travel experiences and represents HART in various committees and public community events.
The Marketing and Communications Team	Develops promotional and informational content that is available to the public. Develops most of the internal employee communications. Duties include writing press releases, web content, social media content, creating and implementing marketing campaigns. Monitors and evaluates success of their programs and services. Updates and is the main point of contact for website updates.
The Creative Services Team	Develops all graphics and promotional material for internal and external use.

FIGURE 5-2: *Customer Experience Department Teams.*
Source: Customer Experience Department.

Timely handling of customer requests is critical in the transit industry. Customer Service Representatives are trained on a variety of Standard Operating procedures to handle calls over the phone to respond to information requests and meet weekly to learn about new agency transit initiatives. This ensures that information is accurate, timely, and reliable. Calls or requests for information that cannot be answered or need further investigation are logged into the ClickFix software and escalated to the appropriate department.

HART has established a goal that 90% of customer requests must be addressed within 10 working days. Requests that are not answered within that timeframe are automatically escalated to managers and directors of the respective areas. Through this process, customers who provide an email address receive a copy of their question/request and updates. Customers who do not provide email addresses can contact the call center team to receive updates on their requests.

Analytics All Web Site Data Audience Overview

HART provided the MJ Team with data analytics to demonstrate how it evaluates website and social media traffic. **Figure 5-3** shows that during the month of June 2022, HART's website received over 18,800 new users, over 74,000 page views and each user spent on average over 2 minutes on the site during their visit. During interviews, HART told the MJ Team that the "Maps and Schedules" webpage is consistently the first or second busiest page on the website. HART also monitors usage of its OneBusAway real-time App, which is a major resource for the public who want to find out more information regarding bus ridership. Data analytics provides an indication that the webpage is adequate. In contrast, data analytics do not measure whether or not data is accurate.
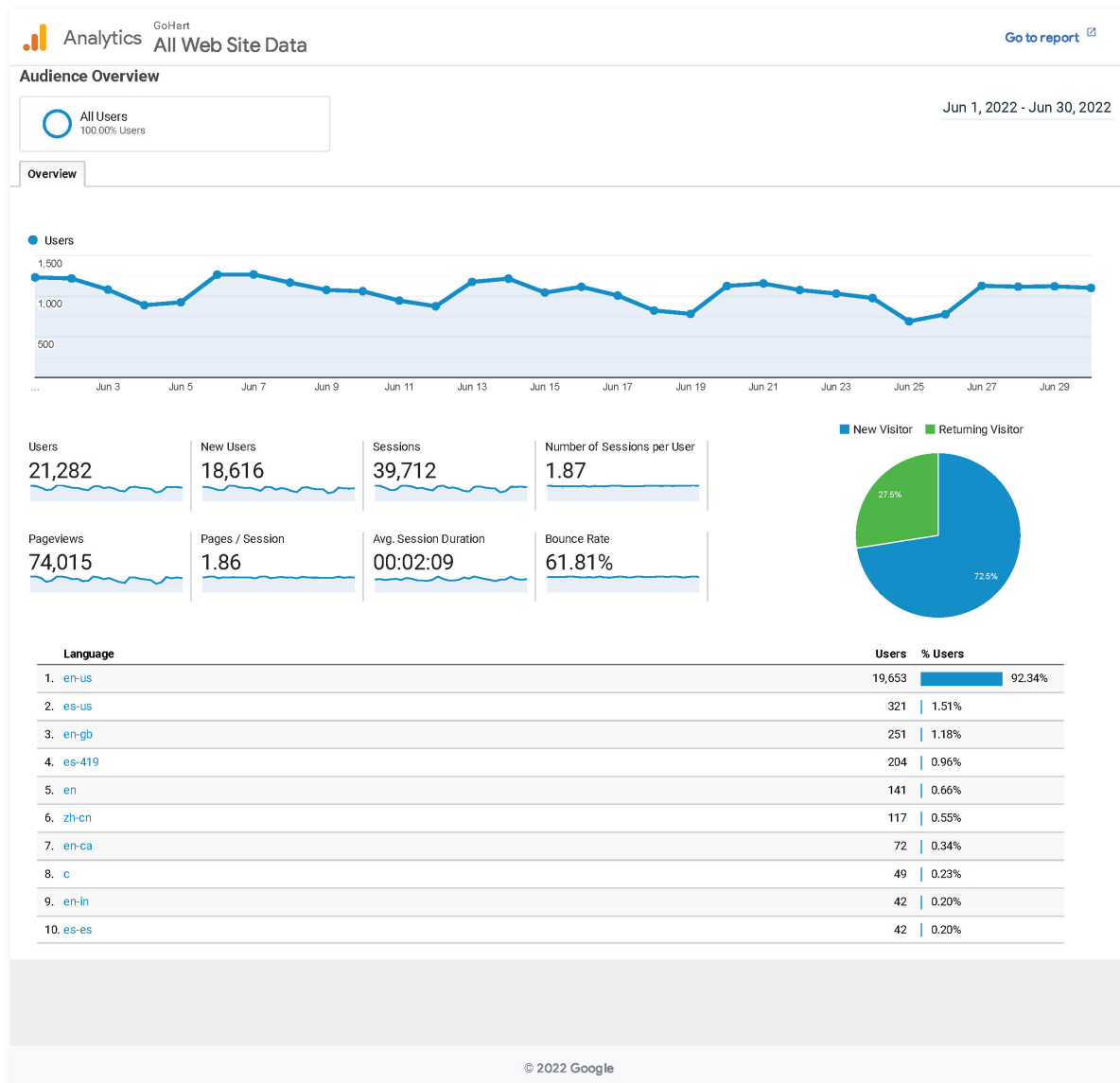
FIGURE 5-3: *2022 Google Analytics.*
Source: Customer Experience Department.

While the Customer Experience Department provided examples of how it uses website analytics to measure adequacy of data, no formal report or process is in place to evaluate the adequacy and accuracy of the HART's public information overall.

The U.S. Government Accountability Office Agency Guidance to Establish Comprehensive Data Inventory, (Dashboards) dated October 2020, suggest that public sector/governmental organizations need best practice standards for accurate and timely information to: 1) ensure accountability, 2) manage service effectiveness, and 3) prioritize the best use of resources. An example of the application of this best practice would be to conduct a regular evaluation/audit

(e.g., bi-weekly, monthly, or quarterly depending on the function) of the content of information.

The Director of Customer Experience should develop a process for establishing quality standards and a formal process for public data integrity. This process should involve a "sweep" of the content by navigating website and social media pages to ensure the content remains useful and accurate.

Figure 5-4 presents the type of criteria HART should consider when evaluating/auditing its website, social media postings and news releases, print and digital media materials as well as other information published in the public domain.

Evaluation/Audit Criteria	Description
Identify Potential Data Integrity Deficiencies	Determine if data has been altered, deleted or lost without management detecting how, when, and by whom.
Determine Whether Data/Information is Correct and/or Complete	Determine if the data is still relevant. As content ages, facts and data that were once accurate can become inaccurate.
Determine Common Data Threats	Determine if the information has been subjected to human error, unintended information transfer errors, misconfiguration and security errors, malware, insider threat, cyberattack, and compromised hardware.
Determine Whether Content is Effective/ Still Serving Original/Intended Purpose	Determine if the content is useful and if it is reaching its intended audience.
Train Users and Maintain Training Records	Ensure users are properly trained on systems, policies, and procedures.
Conduct Audits and Reviews	Conduct periodic audits, evaluate controls, and promote compliance policies and procedures.

FIGURE 5-4: *Sample Process to Evaluate Adequacy and Accuracy of Public Documents.*
Source: the MJ Team's Best Practices Database based on The U.S. Government Accountability Office and Dashboards' best practices.

> **RECOMMENDATION 5.2 – Develop and implement a formal evaluation process (report) to periodically evaluate the adequacy and accuracy of data provided to the public after publication. This evaluation should address factors such as whether the information is relevant, useful, and reached its intended audiences. Evaluation standards should be created by all staff responsible for developing public documents.**

SUBTASK 5.3 – Determine whether the public has access to program performance and cost information that is readily available and easy to locate.

OVERALL CONCLUSION

Overall, HART met expectations for subtask 5.3. To reach this conclusion, the MJ Team assessed relevant department information to determine the public's ability to access program performance and cost information. The MJ Team identified program performance and cost information in the Comprehensive Annual Financial Report (CAFR) Fiscal Year ended September 30, 2020, which was accessible online and easy to locate. Examples of cost information included operations costs per mile and revenue cost per mile. Examples of performance information included ridership per revenue mile and percentage of passenger fare to operating cost (fare recovery).

ANALYSIS

To address the requirements of this subtask, the MJ Team interviewed the following positions:

- Chief Financial Officer

- Director of Customer Experience

- Board Administrator

The MJ Team evaluated performance and cost data from the following sources on the HART website:

- Fiscal Year 2026 Transportation Improvement Program

- Fiscal Year 2022 Adopted Operating and Capital Budget

- Fiscal Year 2021 Success Plan

- Transit Development Plan 2018-2027

- Comprehensive Annual Financial Report (CAFR), Fiscal Year Ended September 30, 2020

Figure 5-5 provides an example of transit-related program performance and cost data that was easily accessible in HART's CAFR for Fiscal Year 2020.

KEY OPERATING INDICATORS					
Operating Cost per Total Mile	$23.06	$25.26	$19.10	$22.01	$20.56
Operating Cost per Revenue Mile	$23.22	$26.09	$19.57	$22.10	$21.20
Ridership per Revenue Mile	3.86	5.01	7.41	5.64	5.74
Operating Cost per Rider	$6.01	$5.21	$2.64	$3.92	$3.69
Average Fare per Rider	$1.96	$1.09	$0.01	$0.00	$0.00

KEY OPERATING INDICATORS					
Percentage of Passenger Fare to Operating Cost (Fare Recovery)	32.6%	20.9%	0.3%	0.0%	0.0%

FIGURE 5-5: *Public Works Project Analytics.*
Source: HART CAFR 2020.

> **SUBTASK 5.4 – Review processes the program has in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.**

OVERALL CONCLUSION

Overall, HART met expectations for subtask 5.4. To reach this conclusion, the MJ Team assessed relevant department data and conducted interviews with staff to ensure HART has processes in place to ensure accuracy and completeness of any program performance and cost information provided to the public.

ANALYSIS

To address the requirements of this subtask, the MJ Team interviewed the following positions:

- Chief Financial Officer
- Chief Delivery Officer

The MJ Team evaluated the following data to perform our analysis:

- Hillsborough Transit Authority Policy Manual (Financial and Budgeting Polices and Processes and General Fiscal Policies (Sections 900 and 920)
- 2022 HART Board/Committee Meeting Schedules and Agendas
- Fiscal Year 2022 Adopted Operating and Capital Budget
- Comprehensive Annual Financial Report (CAFR), Fiscal Year Ended September 30, 2020

HART uses the budget procedure outlined in the Financial and Budgeting Polices and Processes and General Fiscal Policies as the foundation for ensuring the accuracy and completeness of program performance and cost information. HART's annual budget process is outlined below:

Overview of Budget Development

BUDGET PROCESS AND CALENDAR

- Each year, the Chief Executive Officer sets forth the procedures and guidelines to be followed by departments in developing budget requests for the following fiscal year. Departmental budget requests are then reviewed, analyzed, and aggregated into budget recommendations that will reflect the strategic objectives and policies of the HART Board. Budgets are then established and expended to reflect as accurately as

possible all costs related to activities of each program, department, or cost center. **Figure 5-6** provides a graphic depiction of HART's budget process that is presented to the HART Board and adopted in accordance with Florida law.
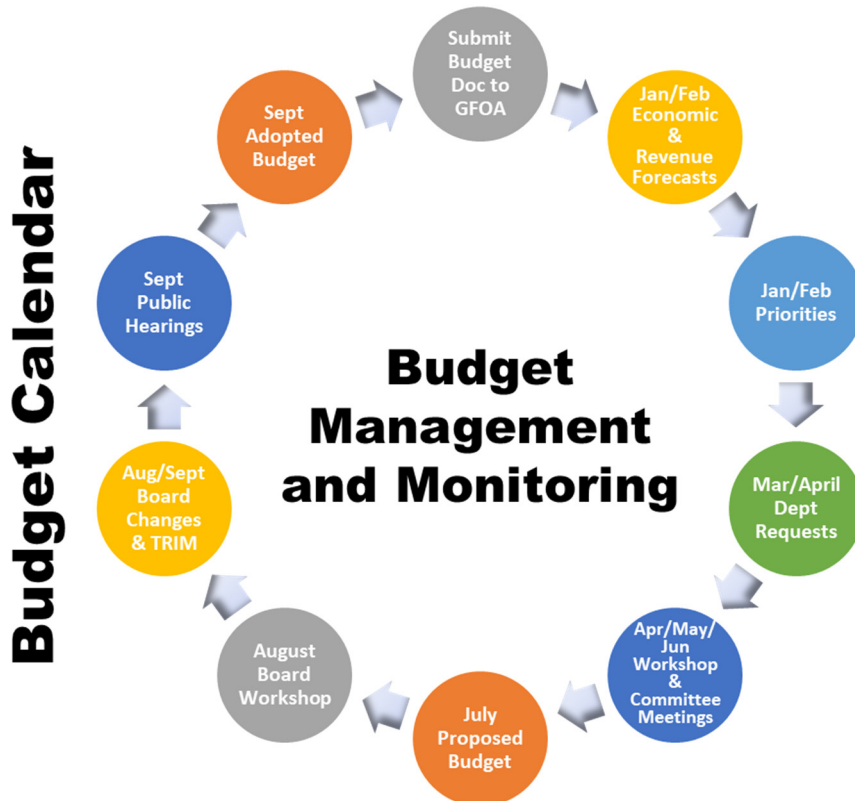
FIGURE 5-6: *Annual Budget Calendar Tasks.*
Source: Budget Department.

- With adoption of the budget, the HART Board approves a broad policy plan as well as the estimated funding needs at the program, department, and organizational level and provides statutory authorization for the expenditure of HART public funds.

- This process provides a complete picture of the agency's projected expenditures. Budget control is exercised at the cost center level. Budget line items that show negative balances, cannot be exceeded. Budget performance is evaluated based on budget and actual amounts monthly, quarterly and at fiscal year-end. This process provides HART with a complete overview of the agency's projected financial picture.

INTERNAL BUDGET ADJUSTMENTS/TRANSFERS

- Budget adjustments/transfers exist for very specific reasons. They are used to balance a department's budget each month. Operating within the available budgetary resources is a managerial responsibility, and one which should be taken seriously. The approved, final budget is a financial plan (based on an operations and strategic plan) and can be

adjusted as circumstances change or by the Board of Directors directive; however, it must be adhered to as closely as possible, and deviations need to be approved at the Chief Executive Officer level.

HART was the recipient of the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting Award for fiscal year 2020. This award is noted in the County's Fiscal Year 2020-2021 Adopted Budget, which is on the County's website. The GFOA award validates accuracy and completeness of information provided to the public. Meeting the criteria for this award means HART goes beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure.

The GFOA award recognizes contributions to the practice of government finance that exemplify outstanding financial management. The awards stress practical, documented work that offers leadership to the profession and promotes improved public finance.

> **SUBTASK 5.5 – Determine whether the program has procedures in place that ensure that reasonable and timely actions are taken to correct any erroneous and/or incomplete program information included in public documents, reports, and other materials prepared by HART and that these procedures provide for adequate public notice of such corrections.**

OVERALL CONCLUSION

Overall, HART met expectations for Subtask 5.5. To reach this conclusion, the MJ Team assessed steps that are taken to ensure reasonable and timely actions are taken to correct erroneous and/or incomplete information included in public documents and found these processes in place to be adequate.
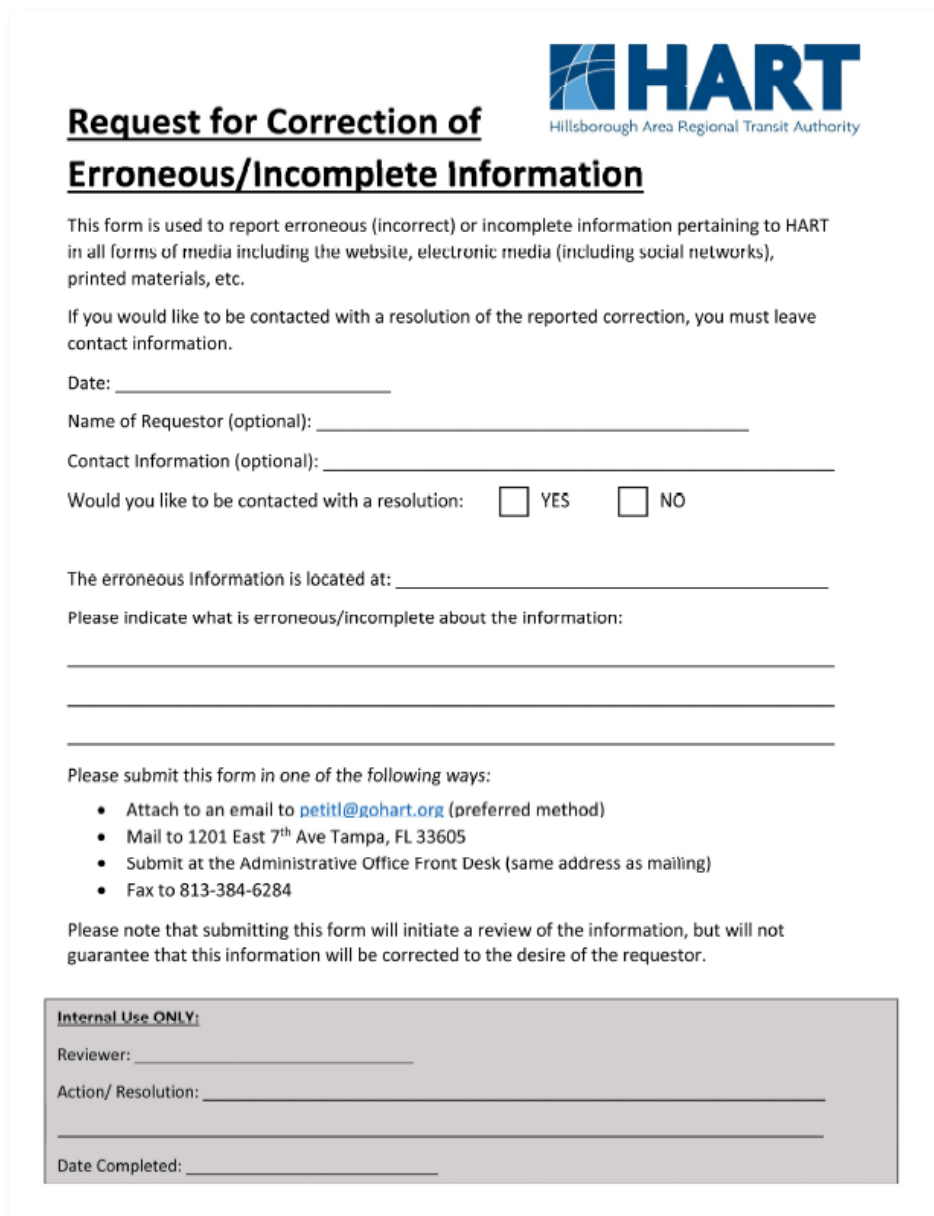
ANALYSIS

Based on interviews with the Manager of Marketing & Communications and information provided to the MJ Team, processes and procedures are in place to ensure information that is published in the public domain is accurate and complete and facilitates correction of information when inaccuracies occur.

During interviews, HART reported that all public notifications/materials go through a review process that includes:

- Idea/text submission by requesting department
- Overall text and concept development by the Manager of Marketing and Communications
- Artwork development and layout by the Creative team
- Final approval by the Director of Customer Experience and the director of the requesting department

The Manager of Marketing & Communications reviews and proofs every public information document produced by the department for accuracy and adequacy of content. Secondary reviews as a cross-check are completed by staff. These reviews for accuracy and correctness include readability of documents, proper punctuation and grammar, legibility of text and graphics, calling listed phone numbers to ensure they are correct, and testing website links to ensure they are active. As a result, very few errors are produced. The MJ Team was told during interviews that errors that are found are occasionally made on board items or identified by customer service. Errors made on public documents are given top priority and corrected as soon as they are noticed.

Figure 5-7 provides an example of the Request for Correction of the Erroneous/ Incomplete Information form. **Figure 5-8** provides an example of a board agenda item that required a correction, which is circled in red. The Agenda item was corrected on the next agenda posting.

FIGURE 5-7: *Request for Correction of Erroneous/Incomplete Information Form.*
Source: Customer Experience Department.

SOP NUMBER	REVISION	EFFECTIVE DATE	PAGE
ESOP-001	4	June 3, 2021	1 of 29

STANDARD OPERATING PROCEDURE

HILLSBOROUGH TRANSIT AUTHORITY

BOARD/COMMITTEE AGENDA ITEMS PREPARATION

REV	DATE	DESCRIPTION	RLSE NO.	INIT
1	8-26-2013	REVISION TO ATTACHMENT F ON SECTION 7 (F) (1)		
2	10-1-2014	REVISIONS TO ATTACHMENTS B, C, D, E, F, H, I, & J		
3	7-19-2016	ADDITION OF ATTACHMENT O; REVISIONS TO SIGNATURES, ATTACHMENTS A-N; SECTIONS 1, 2, 3, 7(B)(2), 7(C)(2), 7(D), 7(F)(2), 7(J)(2)(III), 7(K)(1-2)		
4	6-14-2021	REVISIONS TO SIGNATURES, TABLE OF CONTENTS, ATTACHMENTS, AND SECTIONS 1.0, 2.0, 3.0, 4.0, 7.0(A-K)		

ORIGINATED BY: _____ DATE: _____
Danielle Arthur, Board Administrator

REVIEWED BY: _____ DATE: _____
Lena Petit, Chief of Policy and Performance

REVIEWED BY: _____ DATE: _____
Teri Wright, Chief Customer Experience Officer

APPROVED BY: _____ DATE: _____

FIGURE 5-8: *Sample Board Agenda Item.*
Source: Customer Experience Department.

RESEARCH TASK 6

FINDING SUMMARY

COMPLIANCE OF THE PROGRAM WITH APPROPRIATE POLICIES, RULES, AND LAWS.

FINDING SUMMARY – Overall, HART meets expectations for Task 6.

HART has a process to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies. HART has developed procedures manuals to comply with federal and state grants management requirements. HART prepares a five-year major Transit Development Plan (TDP) and completes an annual update in the form of a progress report each year. The TDP is required by the Florida Department of Transportation (FDOT) of transit agencies receiving federal and state grant programs. Federal transit grant recipients are required to obtain the services of an independent auditor to conduct a single audit each year. The CARF completed on September 30, 2021, independent auditor did find a material weaknesses for the internal control over financial reporting. HART staff acknowledged the deficiencies, indicated acceptance, and documented the action taken to resolve the deficiency. The corrective action plan prepared by HART management to address the findings in the single audit demonstrates that management takes reasonable and timely actions to address any noncompliance identified by an external audit. HART has taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state, laws, rules and regulations. The Independent Oversight Committee has been established to ensure HART is meeting the requirements of the ordinance.

SUBTASK CONCLUSIONS, ANALYSIS AND RECOMMENDATIONS

SUBTASK 6.1 – Determine whether the program has a process to assess its compliance with applicable (i.e., relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.

OVERALL CONCLUSION

The subtask 6.1 is met. To address the requirements of this Subtask the MJ Team interviewed the Director of Legal Services and Deputy Attorney and reviewed the following:
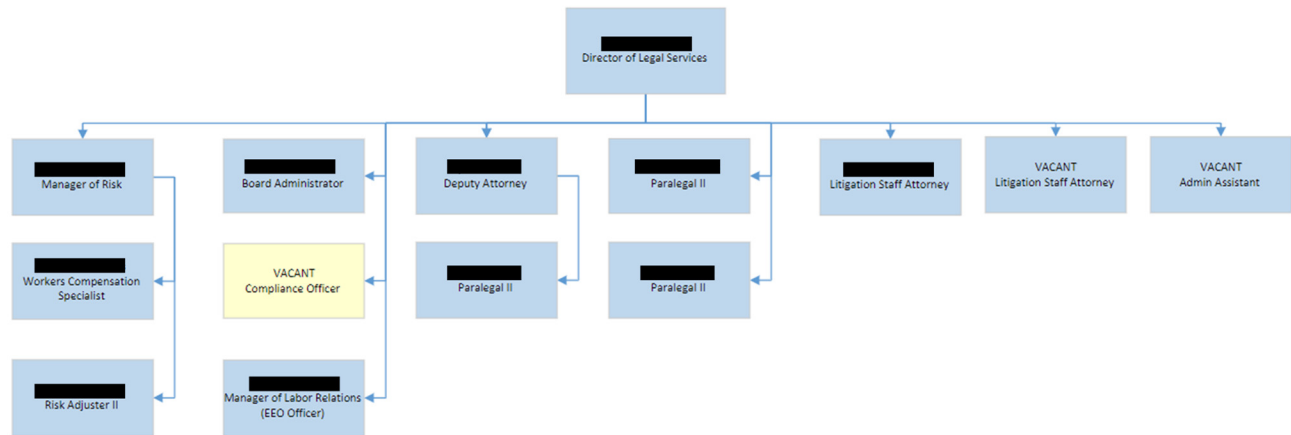
- Hart's Legal Services Organization Chart;

- Hillsborough Transit Authority Policy Manual; and

- Standard Operating Procedures.

HART's Legal Services Department provides support to all departments and programs to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.

ANALYSIS

HART's Legal Services Department organization chart includes the following staff as noted in **Figure 6-1**: Director of Legal Services, Deputy Attorney, three Paralegals, two Litigation Staff Attorneys, Manager of Risk, Workers Compensation Specialist, Risk Adjuster II, Board Administrator, and Manager of Labor Relations.

FIGURE 6-1: *HART's Legal Services Departments organizational chart.*
Source: HART's Legal Services Department.

HART's Transit Authority Policy Manual states the following requirements and identifies the HART General Counsel/Legal Services responsibilities:

Hillsborough Transit Authority Policy Manual:

- **140.03 General Counsel:**
    1) The General Counsel shall be the chief legal counsel to the Board of Directors of HART and shall have cognizance over legal affairs. The General Counsel's direct responsibility shall be those matters requiring authorization or approval by the Board of Directors and such other matters as assigned by the Board of Directors or the CEO. The General Counsel shall serve at the pleasure of the Board of Directors. If the General Counsel is not a HART employee, then the General Counsel shall be selected by the Board of Directors through an open and competitive process.
    2) In addition to the General Counsel, HART may retain legal counsel as employees of HART or as contract legal counsel. The CEO may hire staff counsel as employees of HART. Contract counsel retained by HART shall be approved by resolution of the Board of Directors consistent with the procurement process provided in Chapter 500 herein. HART legal counsel shall regularly provide to the Board of Directors a report of all pending litigation and other significant pending legal matters. All resolutions, contracts, and other instruments shall be approved as to

form by the General Counsel, staff counselor such other legal counsel as the designated by the General Counsel and the CEO.

3) All legal counsel employed by or contracting with HART shall represent the entire agency consistent with the provisions in Florida Bar Rule of Professional Conduct 4-1.13. Legal counsel serving as the "local government attorney", shall be subject to Florida's Code of Ethics Standards as codified in Chapter 112, Part III, *Florida Statutes*.

4) Specific Authority: Law Implemented: [20. 52(1)(b), I63.568(2)(k) FS. Jl2.3Jl et seq.; 163.567(12) FS. EFFECTIVE DATE FOR REVISION 11/20/20.

- **140.04 Auditor**

  The Board of Directors of HART, by resolution of the Board, shall employ an independent certified public accountant to annually audit the accounting and budgetary records of HART, and who shall submit their findings to the Board. The Board shall provide a copy of the annual audit to each member of HART.

The following Standard Operating Procedures also address procedures to ensure compliance with laws and regulations, agreements, and local polices as follows.

Standard Operating Procedure 140.1

- **Section 2.0 Purpose**: The purpose of this Standard Operating Procedure (SOP) is to provide instructions on the management of all Agency SOPs. This SOP provides guidance on the series of procedure collectively known as Records Management. Records Management ensure that records produced through the course of doing business are managed in a systematic, verifiable manner. Procedures include Document Creation, Version Control, Approval, Protection, Review/Retrieval, Storage, and Destruction.

- **Section 7.0 Procedure**: Document Control Procedures: Every HART employee is tasked with sharing in the responsibility for ensuring that the Agency records are maintained in accordance with standards set by the Agency Records Management Program. The Records Management Liaison Officer provides oversight to the handling of all Agency records and will monitor compliance by:

  A. Establishing clear procedures.

  B. Monitoring the Records Management, the Records Retention Schedule, SOP Processes and Procedures, and other relevant policies and procedures for compliance.

  C. Providing Annual Training on Records Management to Department Point of Contract (DPOC).

  D. Providing ongoing support to Department Point of Contracts and other employees, as needed.

E. Reviewing and auditing departmental records on a periodic basis and making adjustments as necessary.

Standard Operating Procedure SOP-140.2

- **Section 2.0 Purpose**: The purpose of this SOP is to provide instructions on how to develop, approve and revise all HART SOPs.

- **Section 7.0 Procedure**:

    o 7.1 New or Revised SOP: A Template and Number:

    1. For new or revised SOP and new softcopy SOP Template Form shall be used;

    2. SOP Templates are available on the V share drive;

    3. A release/change authority number shall be obtained from the SOP Master Log; and

    4. Unique SOP identification numbers shall be created by and managed the Records Management Liaison Officer and posted on the SOP Master Log.

The Hillsborough Transit Authority Policy Manual and Standard Operating Procedures define the process in place to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.

SUBTASK 6.2 – Review program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures.

OVERALL CONCLUSION

The subtask 6.2 is met, based on the Policy Manual and SOPs documentation above (see Subtask 6.1), the MJ Team concludes HART has reasonable internal controls to ensure compliance with federal, state, and local laws, rules, and regulations.

To address the requirements of this subtask, the MJ Team interviewed the Director of Legal Services and Deputy Attorney and reviewed the following:

- HART Responses to the MJ Team's Internal Control Questionnaire
- FTA Quarterly Reports

ANALYSIS

The MJ Team facilitated an internal control questionnaire to obtain management's evaluation of the internal control infrastructure.

Internal Controls Questionnaire

The internal control questionnaire is designed to help assess HART's internal control environment. The results conclude there is adequate segregation of duties among the following processes:

- Purchasing
- Payroll
- Accounts Payable
- Accounts Receivable
- Cash Management & Investment
- Third Party Relations & Contract Management
- Information System Security
- Information System Access
- Information System Backup & Recovery

Additionally, it confirmed that HART has effective processes in the expenditure cycle, including purchasing, payroll, accounts payable, cash management and investment, and contract management. While the MJ Team did not evaluate those internal controls, we did confirm the presence of established policies, procedures, and practices.

FTA Quarterly Report

FTA grantees must submit quarterly reports to FTA on all open line items in federal grants. The HART Budgets and Grants Departments file quarterly Milestone Progress Reports or FTA grants and monthly progress reports for FDOT grants. The Grants Department coordinates with the assigned project managers as well as with the Finance Department to prepare the reports. The latest report HART submitted was June 30, 2022 for the third quarter.

> **SUBTASK 6.3 – Determine whether program administrators have taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.**

OVERALL CONCLUSION

The subtask 6.3 is met. To address the requirements of this Subtask, the MJ Team interviewed the director of Legal Services and the deputy attorney regarding knowledge of any noncompliance; and reviewed the actions taken on the Single Audit findings.

Based on the follow up and review of prior single audits, HART has taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and

regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.

ANALYSIS

As noted in Subtask 6.1, HART has a policy that requires an independent certified public accountant to annually audit the accounting and budgetary records and is required by FTA grant recipients.

Single Audit

FTA grant recipients are required to obtain the services of an independent auditor to conduct a Single Audit each year in conformance with 2 CFR part 200, subpart F. HART documents the Single Audit each year in the Comprehensive Annual Financial Report (CAFR)

The independent auditor includes a section in the CAFR for Compliance Reports. The MJ Team reviewed the CAFR for the Fiscal Years ended September 30, 2021 and 2020 noting the following independent auditor's results:

- Financial Statement Section – A material weakness for the internal control over financial reporting was identified.

- Federal Awards Programs and State Projects Section- No internal control weaknesses were identified.

HART staff acknowledged the deficiencies, indicated acceptance, and documented the action taken to resolve the deficiency. The corrective action plan prepared by management to address the findings in the report related to internal control deficiencies demonstrates that management is taking reasonable and timely actions to address any noncompliance identified by the independent auditor.

> **SUBTASK 6.4 – Determine whether program administrators have taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations.**

OVERALL CONCLUSION

Subtask 6.4 is met. To reach this conclusion, the MJ Team assessed this subtask for HART and for Hillsborough County. Chapter 163 Part V, *Florida Statutes*, deems HART to be a special tax district and authorizes it to levy an ad valorem tax. The statute does not authorize HART to levy sales surtaxes neither does HART's charter authorize it to do so. Section 212.055(1), *Florida Statutes*, authorizes counties to levy a discretionary sales surtax subject to approval by a majority vote of the electorate of the County. As a result, the County, not HART, had to take reasonable and timely actions to determine whether planned uses of the surtax were in compliance with laws, rules, and regulations. Upon making such determination, on April 20,

2022, the Hillsborough County BOCC adopted Ordinance Number 22-9 to place a one percent sales surtax on the November 8, 2022, ballot.

Accordingly, in the Hillsborough County section of this report, the MJ Team determined that Hillsborough County administrators took reasonable and timely actions to determine whether planned uses of the sales surtax were in compliance with applicable state laws, rules, and regulations. To make this determination, the MJ Team outlined actions leading to the adoption of the Hillsborough County Ordinance No. 22-9 that are depicted in **Figure 6-4** of the Hillsborough County surtax performance audit report. The MJ Team performed the following procedures for Hillsborough County:

- Interviewed the senior assistant county attorney and the PW director.
- Examined the following documents:
  - timeline of BOCC meetings relevant to the surtax;
  - BOCC workshop materials related to transportation issues;
  - s. 212.055(1), *Florida Statues*-Charter County and Regional Transportation System Surtax; and
  - Hillsborough County Ordinance Number 22-9.

ANALYSIS

To assess this subtask for HART, we examined Section 4 of Ordinance No. 22-9 noting that it requires that HART receive 45 percent of the surtax proceeds from the County. The ordinance also stipulates that HART spend its allocation of the surtax for the planning, development, construction, operation, and maintenance of public transportation projects located solely in Hillsborough County. We examined the HART Board presentation, dated April 4, 2022, where the HART Board members considered planned uses of its 45 percent allocation of the surtax. We also examined Hillsborough Board of County Commissioners board minutes where HART's 45 percent allocation of the surtax was discussed and determined.

The ordinance stipulates that HART's surtax-funded public transportation projects are to be consistent with HART's TDP, which was developed in 2017. We examined HART's TDP, noting that it provides a strategic view of transit operations within the service area and HART's plan to develop different aspects from service area, routes, maintenance, and infrastructure to support these efforts over the next 10 years. HART updates the TDP annually with minor changes and every five years with a major revision. The MJ Team reviewed the 2017 TDP, noting that its goals and objectives are consistent with HART's planned uses of the surtax. For example, Goal 5: Deliver Capital Projects, is consistent with planned uses of the surtax. The objectives associated with this goal are as follows:

- Prioritize multimodal accommodations when planning transit centers and rights-of-way.
- Ensure that fleet, facilities, and infrastructure are maintained in a good state of repair.
- Seek funding to implement energy and environmental initiatives.
- Pursue the modernization of the TECO Streetcar service, which is Tampa's streetcar system.

HILLSBOROUGH TRANSIT AUTHORITY – MANAGEMENT COMMENTS

HART

Hillsborough Area Regional Transit Authority

1201 E. 7th Avenue • Tampa, Florida 33605
(813) 384-6600 • fax (813) 384-6284 • www.goHART.org

Sharon E. Murphy
McConnell & Jones LLP
4828 Loop Central Drive
Houston, TX 77081

Subject: HART Performance Audit Management Response

Dear Ms. Murphy,

In accordance with s. 212.055(11), F.S., and Government Auditing Standards, McConnell & Jones LLP conducted a performance audit of the Hillsborough Transit Authority (HART) programs within the administrative unit(s) that will receive funds through the referendum approved by ordinance adopted by the Hillsborough County Board of Commissioners on April 20, 2022. Although HART serves residents of the County and surrounding areas, it is not an organizational unit of the County. It is an independent special district created under Chapter 163, Part V, Florida Statutes in October 1979 to plan, finance, acquire, construct, operate and maintain mass transit facilities and supply transportation assistance in Hillsborough County. The entity responsible for the management of these audits, the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) notified Hillsborough County, along with HART, that its selected auditors, McConnell & Jones LLP, would be performing the mandated audit.

The following is HART's Management Response to the aforementioned audit, which was conducted from July 7, 2022 to July 29, 2022. The comments herein are focused only on HART's component of the audit exclusively; no comment or response being provided on Hillsborough County's audit, nor references within the audit to other entity's responsibilities (i.e., MPO, municipalities, etc.), or the referendum process itself.

Although the audit was conducted in a very condensed timeframe, HART staff made themselves fully available to the auditor, with over 100 hours of interview time and provision of over 300 documents.

According to the audit report, HART was found as "meeting" or "partially meeting" all 25 research subtasks. Each "partially met" subtask audit comment will be responded to below:

Research Subtask 1.4 – "Partial Met"
Determine whether program administrators have taken reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc.

<u>Audit Comment:</u> *Subtasks 1.3 and 1.4 are assessed together in this section because they are so closely related. Overall, HART meets Subtask 1.3 since external audit reports were provided; however, Subtask 1.4 is partially met. To reach this conclusion, the MJ Team interviewed the positions listed in Subtask 1.1 and reviewed findings and recommendations in various audit reports that included findings and recommendations. We determined that HART program administrators had not taken reasonable and timely actions to address findings and recommendations included in all audit reports, which are discussed in the analysis section below.*

<u>Audit Recommendation:</u> *Establish a policy that requires development of a corrective action plan in response to findings and recommendations in any relevant internal or external report on program performance and cost. The*

plan should describe the findings and recommendations, management's responses, staff responsible for implementation, timeline, resource requirements, and other pertinent information.

<u>Management Response</u>:

FTA recipients must prepare and maintain a list of any active investigations (conducted by entities other than FTA), lawsuits, or complaints naming the recipients that allege discrimination based on race, color, or national origin. This list must include the date that the investigation, lawsuit, or complaint was filed; a summary of the allegation(s); the status of the investigation, lawsuit, or complaint; and actions taken by the recipient in response to the investigation, lawsuit, or complaint (FTA C 4702.1B, Chap. III-5, Sec. 7).

During the October 7, 2021 FDOT Triennial Review, HART's corrective action was related to filling vacant positions in the Finance department and updating reporting and reconciliation procedures. HART responded to FDOT and proposed a completion date of July 31, 2022. Additionally, during HART's most recent review with the FTA on June 10, 2022, corrective action was taken by August 10, 2022 complying with the authority's prescribed 60-day period. In order to maintain consistency, HART will consider formalizing a Standard Operating Procedure related to a corrective action plan.

Research Subtask 2.2 – "Partial Met"
Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload.

<u>Audit Comment:</u> *The current turnover rate for non-bargaining positions (non-union) is 28% and the vacancy rate is 20%, which is high based on human resources best management practices. The employees covered under the collective bargaining agreement (union) make up nearly 83% of the current workforce at HART. As of July 2022, there are currently 37 vacant bus operator roles and the turnover rate based on a rolling 12-month period (July 1, 2021, through June 30, 2022) is at 20%. Strategies are underway to focus recruiting efforts on positions that are critical to providing and supporting the continuation of services to the community and business units, such as bus drivers. To address high turnover and vacancy rates, HART should continue to evaluate salary and wage rates to ensure they are competitive and refine recruitment and retention strategies and consider establishing goals to lower turnover and vacancy rates for all non-bargaining and collective bargaining employees to the suggested guideline of 10%.*

<u>Audit Recommendation:</u> *Continue to evaluate salary and wage rates to ensure they are competitive and refine recruitment and retention strategies and consider establishing goals to lower turnover and vacancy rates for all non-bargaining and collective bargaining employees to the suggested guideline of 10%.*

<u>Management Response</u>:

HART is currently evaluating all non-bargaining salary, wages, and fringe benefits to ensure that our overall compensation package is competitive not only within the transportation market, but also within other industries in the Tampa Bay area. Additionally, HART has begun the process of analyzing and refining the recruitment process to attract talent and better understand the point in which potential candidates are lost. To assist in gathering information, HART will be sending an exit survey via text message to all non-bargaining and bargaining employees that voluntarily resign from the company. This process will enable HART to focus on the areas of concern that lead to high turnover in both the non-bargaining and bargaining positions. A number of other retention strategies are presently being reviewed, such as a Rewards and Recognition Program. After this analysis is complete, HART will implement these new processes and create a new HR Standard Operating Procedure to formalize the new practices. It's important to note that while HART is always looking to improve the agency's retention rate, the agency is not experiencing high turnover rates when compared to the industry at large. The 10% targeted guideline was found by the auditors in HR Morning, the Houston Chronicle, and various other web-based blogs. This target might be representative of the general labor market, but it is not specific to transit's overall needs. According to the US Bureau of labor statistics (Table 16. Annual total separations rates by industry and region, not seasonally

adjusted - 2022 M01 Results (bls.gov)) the transportation industry has seen an average turnover rate of 52% over the past 5 years. At the same time, HART's turnover rate is roughly 28%.

Research Subtask 4.1 – "Partial Met"

Review program goals and objectives to determine whether they are clearly stated, measurable, can be achieved within budget, and are consistent with HART's strategic plan.

Audit Comment: *Overall, this subtask is partially met. Although program goals and objectives for Transportation Operations and Project Management Office are included in the Success Plan and are clearly stated, measurable, and consistent with HART's strategic plan. However, documentation was not provided to determine if goals and objectives can be achieved within budget. To address the requirements of this subtask, the MJ Team interviewed senior management and reviewed the goals and objectives maintained in HART's Transit Development Plan and Success Plan.*

Audit Recommendation: *Maintain documentation verifying that goals and objectives can be achieved within budget.*

Management Response:

HART complies with Florida Statues by adopting a resolution on a balanced budget by October 1 of each year and ending September 30 of the following year. Also, as required by Statute, the tentative budget is posted on HART's website at least 2 days before the budget hearing and the final adopted budget is posted within 30 days after adoption.

HART's annual budget documents provide a detailed depiction of both operational expenses and capital expenses. The yearly capital program is part of a larger 5 Year Capital Plan and only items which have secured funding will be proposed in the yearly budget. In addition, the projects in the 5 Year Capital Plan are part of the Transit Development Plan, which has gone through extensive internal and external public comments prior to being included.

Research Subtask 4.2 – "Partial Met"

Assess the measures, if any, HART uses to evaluate program performance and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives.

Audit Comment: *Overall, this subtask is partially met. While HART's departments maintain and report various performance measures, the Success Plan's Performance Scorecard lacks updating since Fiscal Year 2020. To address the requirements of this subtask, the MJ Team interviewed senior management and reviewed the performance measures documented in various reports and files.*

Audit Recommendation: *Ensure that all required performance measures are reported at least annually and document the required Capital Development performance measures including completing projects within schedule and budget.*

Management Response:

HART's management team is currently updating the 2022 Success Plan and the performance scorecard to reflect the most up to date and relevant information. Outside of this plan, HART's Capital Program office has developed a dashboard to measure and asses budget and schedules of each individual capital project. HART will consider a Standard Operating Procedure to formalize this process and document the dashboard.

Research Subtask 5.2 – "Partial Met"

Review available documents, including relevant internal and external reports, that evaluate the accuracy or adequacy of public documents, reports, and requests prepared by HART related to the program.

Audit Comment: *Overall, HART partially met expectations for subtask 5.2. To reach this conclusion, the MJ Team assessed relevant internal and external reports that evaluate the accuracy and adequacy of public documents. Our interviews and data analysis showed that while the Customer Experience Department provided sufficient evidence of how it uses website analytics to measure adequacy of data, no formal report or process is in place to evaluate the adequacy and accuracy of the HART's public information overall.*

Audit Recommendation: *Develop and implement a formal evaluation process (report) to periodically evaluate the adequacy and accuracy of data provided to the public after publication. This evaluation should address factors such as whether the information is relevant, useful, and reached its intended audiences. Evaluation standards should be created by all staff responsible for developing public documents.*

Management Response:
To ensure accuracy and relevancy of public information on HART's website, each department is currently responsible for sections of the website pertaining to their professional responsibilities – i.e. the Finance Department is responsible for ensuring the Financial Policies, Budget Documents, Financial Reports, and Expenditures sections under Transparency. The HART Human Resources Department is responsible for the Employment and EthicsPoint sections, etc.

Upon finding possibly dated or irrelevant data, departments then reach out to HART's Digital Solutions team and the Marketing Department to update and make corrections.

The HART Customer Experience Department will create a Standard Operating Procedure (SOP) to formalize this process and create a reporting cadence to ensure consistency. This process will also include a review of HART's social media postings and marketing collateral from the Customer Experience Department.

News releases are currently reviewed by relevant departments for accuracy prior to being sent out to the media and general public. However, the Customer Experience Department will monitor any location where HART news releases maybe located (i.e. News section on goHART.org) for relevancy.

Please direct any questions concerning this Management Response to me at LeGrandA@gohart.org

Sincerely,

Adelee Marie Le Grand
Chief Executive Officer