



March 19, 2019

Honorable Members of the County Commission
and Citizens of Osceola County:

All:

I am pleased to present the final report of the Performance Audit performed by auditors assigned by the Office of Program Policy Analysis and Government Accountability (OPPAGA) in conformance with s. 212.055(10 Florida Statutes. The objectives of the audit were consistent with the statute, which was to evaluate the program associated with the proposed one cent sales surtax 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

As anticipated, not only did Osceola County “pass”, but the results of the audit demonstrate that we have the processes, procedures, and adequate controls to deliver the transportation projects needed should the one-cent transportation surtax be approved by Osceola County voters. Osceola County received “meeting” or “partially meeting” on 24 out of 25 research subtasks, demonstrating a 96% success rate. While the County may not necessarily agree with all the findings of the audit, we do appreciate the detailed analysis provided by the audit team, McConnell & Jones, and will utilize the results to further refine and develop County processes and procedures. In addition, the results of the audit did not identify any material weaknesses with how the County currently develops and delivers transportation projects.

Most importantly, the audit reinforced that Osceola County is prepared to receive and responsibly expend the funds with the highest level of fiduciary responsibility. The County consistently receives acknowledgments from the independent ratings agencies stating the County has very strong management and conservative financial policies.

Consequently, it is appreciated that the final audit reaffirmed that we have the policies and procedures in place to deliver high performing services and programs to County residents and businesses. As a result of the recommendations in the audit, County staff has provided a response to each recommendation and is evaluating or hard at work making improvements.

Know that if the one cent surtax is approved by voters, Osceola County is well prepared to carry out and deliver the transportation projects needed to move our County forward.

Please let me know if there are any questions in regards to the content of the audit.

Sincerely,



Don Fisher
County Manager

/DF



PERFORMANCE AUDIT

FINAL REPORT

MARCH 18, 2019



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March 18, 2019

Mr. Don S. Fisher
County Manager
Osceola County – Board of County Commissioners
1 Courthouse Square, Suite 4700
Kissimmee, Florida 34741

Dear Mr. Fisher:

McConnell & Jones LLP (MJ) is pleased to submit our final report of the performance audit of Osceola County (the County) pursuant to s. 212.055(10), *Florida Statutes*. In accordance with the requirements of Ch. 2018-118, *Laws of Florida*, the Office of Program Policy Analysis and Government Accountability (OPPAGA) selected MJ to conduct a performance audit of the Transportation & Transit and Public Works programs associated with the discretionary sales surtax proposed by citizen initiative. IBI Group of North Carolina, PC, based in Raleigh, North Carolina, served as technical advisor for the project.

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(10) *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 sales 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 Osceola County Transportation & Transit and Public Works Departments and supporting divisions.

The objectives of the audit are consistent with the requirements of the statute, which are to evaluate the program associated with the proposed sales 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 the body 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, Transportation & Transit and Public Works 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(10) *Florida Statutes*.



Houston, Texas



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EXECUTIVE SUMMARY

OSCEOLA COUNTY OVERVIEW

Osceola County is the State of Florida's 40th county formed on May 12, 1887, from portions of Orange County and Brevard County, and covers a 1,506 square mile area that serves as the south/central boundary of the Central Florida greater metropolitan area. Osceola County is the 6th largest county in the State of Florida with a population of 336,015, and includes the cities of Kissimmee and St. Cloud. Osceola County is expected to double in population by 2045 (*Source: University of Florida BEBR*). The city of Kissimmee is the county seat and is 18 miles south of Orlando, and St. Cloud is nine miles east of Kissimmee and approximately 45 miles west of the city of Melbourne on the Atlantic coast. Osceola's primary economic base is tourism, with secondary segments in ranching, citrus, light industry and services.

Osceola County is a Charter County and an administrative subdivision of the State of Florida. Osceola County Government is governed by three sets of elected officials, each of which independently directs separate branches of County Government, which include: (1) the five-member County Commission; (2) five separate Constitutional Officers; and (3) a number of Judicial Officers. Under Florida State law, the County Commission is responsible for funding the budgets of all Osceola County Government, including the independently elected Constitutional Officers and Judicial Officers, as well as the Commission's own departments. Each independent officer has discretion to administer his or her own programs, and the County Commission exercises oversight only over its own departments. (*Source: Osceola County's website at www.osceola.org.*)

2018 BUDGET SUMMARY

Osceola County (the County) is required to prepare an annual budget under rules of *Florida State Law* and the Florida State Board of Education. Each year the County develops a budget in accordance with Chapters 129, 200 and 197 of the *Florida Statutes*. Chapter 129 guides overall budget development and administration, while Chapter 200 provides specific directions for the annual levy of property taxes and the corresponding budget adoption timeline. Chapter 197 provides for the uniform method for levy, collection and enforcement of non-ad valorem assessments. The County operates on an October 1 to September 30 Fiscal Year.

According to the Osceola County Fiscal Year (FY) 2019 Adopted Budget, the total budget for FY 2019 is \$1,169,289,994, which is an overall increase of three percent over the FY 2018 Adopted Budget. **Figure ES-1** below shows the budget comparison for FY 2018 and FY 2019, as follows:



FIGURE ES-1
BUDGET COMPARISON FOR PAST TWO YEARS

Description	FY 2019	FY 2018	Percent Increase (Decrease)
General Funds	\$321,549,093	\$295,130,984	9%
Special Revenue Funds	\$464,004,931	\$443,385,677	5%
Debt Service Funds	\$86,443,480	\$85,227,383	1%
Capital Project Funds	\$167,468,338	\$169,698,334	(1%)
Enterprise Funds	\$79,776,402	\$81,779,783	(2%)
Internal Service Funds	\$50,047,750	\$55,714,322	(10%)
Total	\$1,169,289,994	\$1,130,936,483	3%

Source: Osceola County Fiscal Year 2019 Adopted Budget.

Special Revenue Funds support the Transportation & Transit Department and Public Works Department that include programs eligible for the one percent Transportation Sales Surtax. The units within the Transportation & Transit Department that will receive and spend surtax funds include the following:

1. **Transportation Planning** – Provides and maintains a safe and effective traffic network for all modes for the citizens and traveling public of Osceola County.
2. **Traffic Engineering (Roadway Construction)** – Provides guidance and oversight for all consultants and County departments for Transportation & Transit projects serving the County.

The units within the Public Works Department that will receive and spend surtax funds include the following:

1. **Road & Bridge** – Provides maintenance services for County-owned roads, rights of way, and drainage systems in the unincorporated areas of Osceola County.
2. **Administration** – Designs, constructs, and maintains safe, effective, and efficient infrastructure assets to improve the quality of life and contribute to the economic development of the County.

Figure ES-2 includes a summary of the operating budgets of the departments and units that will spend the surtax funds.



FIGURE ES-2
FY 2019 BUDGET SUMMARY
DEPARTMENT AND UNIT BUDGETS SPENDING SURTAX FUNDS

Department/Unit	FY 2019	Percent
Transportation & Transit Department (Total Budget)	\$10,654,230	100%
Transportation Planning	\$2,305,791	22%
Traffic Engineering (Roadway Construction)	\$4,595,108	43%
Total for Units Spending Surtax Funds	\$6,900,899	65%
Public Works Department (Total Budget)	\$65,732,978	100%
Road & Bridge	\$9,668,379	15%
Administration	\$2,064,325	3%
Total for Units Spending Surtax Funds	\$11,732,704	18%

Source: Osceola County Fiscal Year 2019 Adopted Budget.

Figures ES-1 and ES-2 show that the Transportation & Transit and Public Works Departments combined FY 2019 Operating Budgets total \$76,387,208, or 16.5 percent of the FY 2019 Special Revenue Fund Operating Budget, and 6.5 percent of Osceola County's total Operating Budget of \$1,169,289,994. Moreover, the FY 2019 Operating Budgets for the units that will spend Transportation Sales Surtax funds represent 65 percent of the total FY 2019 Operating Budget for the Transportation & Transit Department and 18 percent of the total FY 2019 Operating Budget for the Public Works Department.

DISCRETIONARY SALES SURTAX

According to the State of Florida Department of Revenue website, Florida law authorizes local governments to impose nine different types of local discretionary sales surtaxes as potential revenue sources for county and municipal governments. Discretionary sales surtaxes apply to all transactions subject to the state sales and communications services taxes, vary from county to county, and are set by the local governments within the limits set by *Florida Statutes*.

The State of Florida Department of Revenue administers, collects and enforces the sales surtax to counties based on the state's sales tax formula. Each county is responsible for administering the funds it receives. The Board of County Commissioners of Osceola County voted on February 18, 2019, in a unanimous vote of 5 to 0, to adopt Ordinance No. 2019-19 to levy a one percent Charter County Transportation Sales Surtax to fund transportation facilities and services in Osceola County, subject to approval in a special referendum election on May 21, 2019.

According to Ordinance No. 2019-19, if the one percent sales tax referendum is adopted in May 2019, the Transportation Sales Surtax will be effective commencing January 1, 2020, and remain in effect for 30 years, expiring December 31, 2049. Adopting the referendum would contribute to funding transportation improvements including roads and bridges, resurfacing, improving intersections, making walking and biking safer, enhancing bus services, and expanding public transit options.



OSCEOLA COUNTY TRANSPORTATION PLANNING

Osceola County's Community Development Department was responsible for all planning for Osceola County, including transportation planning. In FY 2016, the County reinstituted the Transportation & Transit Department to centralize all transportation efforts, creating a model that is aligned with the federal (i.e., U.S. Department of Transportation) and state (i.e., Florida Department of Transportation) governments. In the years before the County created the Transportation & Transit Department, transportation staff were spread across three departments: Community Development, Economic Development/Strategic Initiatives, and Public Works.

The County's transportation planning function is currently housed within the Transportation & Transit Department. The relocation of the transportation planning function from Community Development Department into the Transportation & Transit Department increased the focus on the need to plan transportation improvements in response to community and citizens' concerns. It also reduced the need for multiple departments to attend the Metroplan Orlando meetings. The Transportation & Transit Department is now the sole department responsible for coordinating with Metroplan Orlando, which is the area's Metropolitan Planning Organization covering Orange, Osceola, and Seminole counties. Metroplan Orlando provides transportation funding for all modes of travel within the three county service area. Coordination between Osceola County and the area's Metropolitan Planning Organization is necessary, as Florida state law requires Osceola County and the counties within the Metroplan service area to adopt a comprehensive plan that includes capital improvements and transportation components. The local comprehensive plans must be consistent with the Long Range Transportation Plan adopted by the Metropolitan Planning Organization.

GOVERNANCE IMPLICATIONS OF SURTAX PASSAGE

Under Florida state law, Osceola County's five-member County Commission is responsible for funding the budgets of all Osceola County Government, including the independently elected Constitutional Officers and Judicial Officers, as well as the Commission's own departments. Accordingly, the County Commission exercises oversight only over its own departments and will be ultimately responsible for overseeing the efforts of the recipients of funds from the one percent Transportation Sales Surtax.

The County Manager and Deputy County Manager oversee the Directors of the Transportation & Transit and Public Works Department, which are the primary recipients of funds from the one percent Transportation Sales Surtax. Osceola County will manage and control the surtax funds through its Office of Management and Budget (OMB), which reports to the OMB Director, the County's Capital Improvement Program (CIP) and the Comptroller's Office, which reports to the Comptroller.



The County will include programs funded with the surtax in the County's 5-year CIP and projects included in the 5-year CIP are routinely reviewed with County executive management and each County Commissioner for input. The County does not have an independent public review committee as the CIP is placed on the County's website and discussed in public meetings. The first year of the CIP is then included in the County's Budget. Before the CIP is approved each year, the County holds a separate advertised public hearings during the first public hearing for the Board of County Commissioners budget adoption process. The public has an opportunity to provide input on the proposed CIP during this meeting, as well as in other special meetings throughout the year.

AUDIT OBJECTIVE

In accordance with s. 212.055(10), *Florida Statutes*, and Government Auditing Standards, the certified public accountant must conduct a performance audit of the Osceola County program areas within the administrative unit(s) that will receive funds through the referendum.

The performance audit must include a review of program areas for Osceola County related to transportation improvements, including projects that improve roads and bridges, expand public transit options, fix potholes, enhance bus services, relieve rush hour bottlenecks, improve intersections, and make walking and biking safer.

Audit fieldwork must include interviews with program administrators, review of relevant documentation, and other applicable methods to complete the assessment of the six (6) research tasks.

PROJECT SCOPE

The subject auditees for the performance audit were the Osceola County Transportation & Transit and Public Works Departments. In general, Transportation & Transit programs relate to road & bridges, improving intersections, making walking and biking safer, enhancing bus services and expanding public transit options. Public Works programs relate to maintenance and repairs for roads & bridges including resurfacing roads and repairing potholes. The performance audit was conducted in accordance with *Generally Accepted Government Auditing Standards (GAGAS)*. Those standards require that the audit be conducted in a manner to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. We believe that the evidence obtained provides a reasonable basis for our observations and conclusions.

METHODOLOGY

McConnell & Jones LLP (MJ) conducted fieldwork for the performance audit from February 19-21, 2019. Audit team members met with a total of 26 Osceola County executive and management-level staff during the fieldwork period. The MJ Team conducted an introductory kickoff meeting to discuss the project scope and conducted five focus group meetings with executive and management-level staff regarding each of the six audit research tasks. Each of



the focus groups had varying management team members in attendance depending on their involvement with a particular research task.

During the focus group meetings, management team members' roles were discussed along with processes and procedures the County follows to address the six (6) research tasks and underlying subtasks. The MJ Team initiated multiple follow-up contacts with nearly all County management team members to clarify information outlined in processes, procedures, and management reports the County provided to address the research tasks. Additionally, performance audit team members reviewed relevant operational and financial data to document and report findings and conclusions.



SUMMARY OF RESULTS

Osceola County's Transportation & Transit and Public Works Departments are the operational units that will expend transportation sales surtax funds should voters pass the May 21, 2019 referendum. **Figure ES-3** through **Figure ES-8** present a summary of the overall results of the performance audit for Transportation & Transit and Public Works in the six (6) research tasks required by statute. The six (6) research tasks contain a total of 25 subtasks. The MJ Team's assessment of both the Transportation & Transit's and Public Works' performance when evaluated against the subtasks revealed that 20 of the 25 subtasks were met, four (4) were partially met, and one (1) was not met.

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

Finding Summary: Overall Osceola County's Transportation & Transit and Public Works Departments meet Task 1

Osceola County's Transportation & Transit and Public Works Departments use various reports that are adequate to monitor project performance and cost. These two (2) departments periodically evaluate their programs using performance information and other reasonable criteria to assess program performance and cost. Findings and recommendations have been included in relevant internal and external reports on program performance and costs, and management has taken actions to address deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc. Management evaluates performance and costs based on reasonable measures. Most of the sample of projects reviewed were completed on time and within budget. However, two out of three completed construction project were not completed timely. Finally, written policies and procedures exist to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

FIGURE ES-3

SUMMARY OF OSCEOLA COUNTY TRANSPORTATION & TRANSIT AND PUBLIC WORKS RESEARCH RESULTS

Research Subtask	Research Results	Conclusion	Recommendation
1. The Economy, Efficiency, or Effectiveness of the Program			
1.1	Our work revealed no issues or concerns related to management reports/data that program administrators use on a regular basis to monitor program performance and cost.	Met	N/A



Research Subtask	Research Results	Conclusion	Recommendation
1.2	Our work revealed no issues or concerns related to whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.	Met	N/A
1.3	Our work revealed no issues or concerns related to findings and recommendations included in relevant internal or external reports on program performance and cost.	Met	N/A
1.4	Our work revealed no issues or concerns related to 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.	Met	N/A
1.5	Our work revealed no issues or concerns related to program performance and cost based on reasonable measures, including best practices.	Met	N/A
1.6	Most of the sample of projects reviewed were completed on time and within budget and costs were reasonable. Bridge maintenance and resurfacing projects were completed within budget and scheduled completion periods. Projects that are in progress are on track based in accordance with estimated schedule and projected budget information provided. However, two of the three completed capital construction projects were completed over 30 days after the scheduled completion date.	Partially Met	Maintain documentation in the project files to explain project overruns and corrective action procedures if supporting change orders have not been executed.
1.7	Our work revealed no issues or concerns related to whether the County has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.	Met	N/A



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

Finding Summary: Overall Osceola County's Transportation & Transit and Public Works Departments meet Task 2

Overall, Osceola County meets Task 2. When the Transportation & Transit Department was (re)created in 2016, a clear distinction was drawn between its responsibilities and those of other departments, principally Public Works. Staffing levels are reasonable based upon defined workloads, and the County has in place a defined process to justify any increases in staffing levels.

FIGURE ES-4

SUMMARY OF OSCEOLA COUNTY TRANSPORTATION & TRANSIT AND PUBLIC WORKS RESEARCH RESULTS

Research Subtask	Research Results	Conclusion	Recommendation
2. The Structure or Design of the Program to Accomplish its Goals and Objectives			
2.1	Our work revealed no issues or concerns related to the 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.	Met	N/A
2.2	Our work revealed no issues or concerns related to the reasonableness of current program staffing levels given the nature of the services provided and program workload. However, the departments have encountered some difficulties in the past attracting qualified workers for lower level positions reflecting the rising wage levels in the region.	Met	N/A



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

Finding Summary: Overall Osceola County's Transportation & Transit and Public Works Departments meet Task 3

The County has contracted out several functions and programs and periodically evaluates the performance of these programs to determine if it is performing to expectations. In some cases, programs have been brought back in-house when the evaluation indicates that County staff can perform the functions at a lower cost or higher quality. Similarly, the County has adjusted some programs to modify the procurement method or program if the results can be improved. The County holds regular discussions with peer agencies to identify potential structural or procurement practices that can improve the delivery of services and programs.

FIGURE ES-5

SUMMARY OF OSCEOLA COUNTY TRANSPORTATION & TRANSIT AND PUBLIC WORKS RESEARCH RESULTS

Research Subtask	Research Results	Conclusion	Recommendation
3. Alternative Methods of Providing Services or Products			
3.1	Our work revealed no issues or concerns related to whether program administrators formally evaluated in-house services and activities to assess the feasibility of providing these services using outside contractors.	Met	N/A
3.2	Our work revealed no issues or concerns related to whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved.	Met	N/A
3.3	Our work revealed no issues or concerns related to 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.	Met	N/A
3.4	Our work revealed no issues or concerns related to whether program administrators have reviewed peer entities approaches for identifying opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services.	Met	N/A



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

Finding Summary: Overall Osceola County’s Transportation & Transit and Public Works Departments partially meet Task 4

Overall, Osceola County meets Task 4. Program goals and objectives align with the County’s strategic plan and are generally clearly stated, measurable, and can be achieved within budget. However, the programs lacks a comprehensive report of performance measures. Internal controls provide reasonable assurance that program goals and objectives will be met.

FIGURE ES-6

SUMMARY OF OSCEOLA COUNTY TRANSPORTATION & TRANSIT AND PUBLIC WORKS RESEARCH RESULTS

Research Subtask	Research Results	Conclusion	Recommendation
4. Goals, Objectives, and Performance Measures Used by the Program to Monitor and Report Program Accomplishments			
4.1	Our work revealed no issues or concerns related to if program goals and objectives are clearly stated, measurable, can be achieved within budget, and are consistent with the county's strategic plan.	Met	N/A
4.2	The program reports lack a comprehensive report of performance measures.	Not Met	Assign staff to identify additional performance measures and establish processes to obtain the data required and periodically report the results.
4.3	Our work revealed no issues or concerns related to evaluating internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.	Met	N/A



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 Osceola County's Transportation & Transit and Public Works Departments partially meet Task 5

The MJ Team found that some of the information on the website was not up-to-date because the County does not have clear responsibility assignments nor a specific process in place to evaluate the usefulness, timeliness, and accuracy of data that is provided to the public. The County uses social media, print media (news releases), and digital (television) media systems, when it needs to relay information to the public quickly. The County makes program budget and cost data available on its website and provided evidence that processes are in place to ensure the accuracy and completeness. However, program performance data is not readily accessible to the public. Additionally, the County has a standard operating procedure in place and provided evidence that the process to correct erroneous and incomplete information is performed timely.

FIGURE ES-7

SUMMARY OF OSCEOLA COUNTY TRANSPORTATION & TRANSIT AND PUBLIC WORKS RESEARCH RESULTS

Research Subtask	Research Results	Conclusion	Recommendation
5. The Accuracy or Adequacy of Public Documents, Reports, and Requests Prepared by the County which, Relate to the Program			
5.1	The County does not have clear responsibility assignments to determine which departments and position(s) are accountable for updating public information. As a result, sections of the website contain outdated information.	Partially Met	Assign a management team member with the responsibility for ensuring that public information is routinely reviewed and updated and establish a clear process to ensure data is useful, correct, and up-to-date.
5.2	The County does not formally evaluate the accuracy or adequacy of most of the information on its website.	Partially Met	Establish data quality standards and implement a formal evaluation process (report) that addresses the adequacy and accuracy of information provided to the public and communicate these standards and evaluation results to all positions responsible for developing public documents.



Research Subtask	Research Results	Conclusion	Recommendation
5.3	The County makes program budget and cost information available on its website and in the Five-Year Capital Improvement Program document. No program performance information was located on the website.	Partially Met	The County should, when practical, make performance data and metrics accessible to the public.
5.4	Our work revealed no issues or concerns related to whether processes the program has in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.	Met	N/A
5.5	Our work revealed no issues or concerns related to 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.	Met	N/A



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

Finding Summary: Overall Osceola County's Transportation & Transit and Public Works Departments meet Task 6

The Osceola County Attorney's Office (CAO) oversees 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. The CAO stays abreast of federal, state, and local legislation that could impact County departments. The division of responsibility and allocation of attorney hours within the CAO ensures that the County remains in compliance with procurement and grant legal requirements. Solicitation documents and contracts contain standard language to ensure compliance with granting agency requirements such as the Florida Department of Transportation and the Federal Highway Administration. The Board of County Commissioners approves all policies that impact the County. Internal controls and processes to take corrective action when applicable are adequate to ensure compliance with laws, rules, regulations, and policies and procedures. Ordinance 2019-19, will levy a one cent transportation tax upon voter approval. The ordinance reflects the requirements of 212.055 (1) of the *Florida Statutes* and establishes a transportation trust fund to ensure that funds are spent in accordance with applicable state laws, rules, and regulations.

FIGURE ES-8

SUMMARY OF OSCEOLA COUNTY TRANSPORTATION & TRANSIT AND PUBLIC WORKS RESEARCH RESULTS

Research Subtask	Research Results	Conclusion	Recommendation
6. Compliance of the Program with Appropriate Policies, Rules, and Laws			
6.1	Our work revealed no issues or concerns related to 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.	Met	N/A
6.2	Our work revealed no issues or concerns related to 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.	Met	N/A



Research Subtask	Research Results	Conclusion	Recommendation
6.3	Our work revealed no issues or concerns related to 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.	Met	N/A
6.4	Our work revealed no issues or concerns related to whether program administrators have taken reasonable and timely actions to determine whether planned uses of the sales surtax are in compliance with applicable state laws, rules, and regulations.	Met	N/A



RESEARCH TASK 1

THE ECONOMY, EFFICIENCY, OR EFFECTIVENESS OF THE PROGRAM.

FINDING SUMMARY – Overall, Osceola County’s Transportation & Transit and Public Works Departments meet Task 1. Osceola County’s Transportation & Transit and Public Works Departments use various reports that are adequate to monitor project performance and cost. They periodically evaluate their programs using performance information and other reasonable criteria to assess program performance and cost. Findings and recommendations have been included in relevant internal and external reports on program performance and costs, and management has taken actions to address deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc. Management evaluates performance and costs based on reasonable measures. Most of the sample of projects reviewed were completed on time and within budget. However, two out of three completed construction project were not completed timely. Finally, written policies and procedures exist to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

SUMMARY OF CONCLUSIONS ON RESEARCH SUBTASKS

See the Analysis and Results section below for details regarding these conclusions.

SUBTASK 1.1

Our work revealed no issues or concerns related to management reports/data that program administrators use on a regular basis to monitor program performance and cost.

SUBTASK 1.2

Our work revealed no issues or concerns related to whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.

SUBTASK 1.3

Our work revealed no issues or concerns related to findings and recommendations included in relevant internal or external reports on program performance and cost.

SUBTASK 1.4

Our work revealed no issues or concerns related to 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.



SUBTASK 1.5

Our work revealed no issues or concerns related to program performance and cost based on reasonable measures, including best practices.

SUBTASK 1.6

Condition: Subtask 1.6 Partially Met

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

Two out of three completed construction projects included in the team's sample were not completed on a timely basis and explanations were not provided in the project file information.

Cause: Project file information provided lack supporting explanations and corrective actions for projects overruns.

Effect: The reasons and extent of project overruns may not be accounted for in management reports and project files to determine if a change order is necessary.

Criteria: The County's purchasing policies allows for change orders to modify contract terms such as changes in the project completion dates as a result of weather days, changes in project scope, and other occurrences.

RECOMMENDATION 1.6

Maintain documentation in the project files to explain project overruns and corrective action procedures if supporting change orders have not been executed.

SUBTASK 1.7

Our work revealed no issues or concerns related to whether the County has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

ANALYSIS RESULTS & CONCLUSION

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.

To address the requirements of all of the subtasks in Research Task #1, the MJ Team conducted a joint interview with the following County employees:

- Comptroller
- Procurement Services Director
- Assistant County Manager



- Transportation & Transit Executive Director
- Public Works Director
- Commission Auditor

To address the requirements of this particular Subtask 1.1, the MJ Team obtained various reports that program administrators use on a regular basis to monitor program performance and costs. The MJ Team obtained and reviewed the following reports the purpose of which is described below the list:

- Budget-to-Actual Report
- Transportation & Transit Capital Improvement Program (CIP) Expenditures
- Public Works Roadway Project Status
- Procurement Reports List
- Project Status with Funds
- Project Financial Tracker-Executive Summary
- Job Ledger Report

BUDGET-TO-ACTUAL REPORT (BA)

Transportation & Transit and Public Works staff generate the BA report directly from the County's financial accounting system known as Integrated Finance and Accounting Solutions (IFAS) on a monthly or on-demand basis for each program budget. This report provides budget status by sub object, including encumbrances, and a percentage realized number to facilitate quick review of how much budget has been expended year-to-date. Encumbrances are purchase obligations that have not yet been expended. An encumbrance is created when a purchase order is issued and is liquidated when the purchase is made and the associated invoice paid. Encumbrances let budget managers know how much of their budget is obligated and therefore unavailable for expenditure.

The Public Works Director, Project Managers, and Supervisors review the BA report at least monthly to monitor budget-to-actual project performance. The MJ Team reviewed this report noting it to be sufficient to monitor actual project costs and performance against budget.

Figure 1-1 presents an example of the BA report, which is presented for illustration purposes only.



FIGURE 1-1
BUDGET-TO-ACTUAL REPORT WITH ENCUMBRANCES

Ledger: GE Report Date: 12/31/2018		Budget to Actual (with Encumbrances)		Period: 3 Budget Level:OB				Percentage of fiscal year lapsed: 25.20	
Object Description	Object	Adopted Budget	Amended Budget	Actual	Encumbrance	Balance	% Realized		
REVENUE ACCOUNTS									
Org. Key:1024157000 Road and Bridge Revenue									
3354801 Motor Fuel Tax Rebate		124,308.00	124,308.00	13,301.43	0.00	111,006.57	10.70		
3611000 Interest		0.00	0.00	96.02	0.00	-96.02	0.00		
3690001 Misc Rev-Vending		700.00	700.00	0.00	0.00	700.00	0.00		
3690001 Misc Rev-Reimbursements		0.00	0.00	443.37	0.00	-443.37	0.00		
3690001 Less 5% for Reserves		-6,250.00	-6,250.00	0.00	0.00	-6,250.00	0.00		
99 OTHER		118,758.00	118,758.00	13,840.82	0.00	104,917.18	11.85		
Revenue:			118,758.00	13,840.82	0.00	104,917.18			
Expenses:			0.00	0.00	0.00	0.00			
Net:			118,758.00	13,840.82	0.00	104,917.18			
EXPENSE ACCOUNTS									
Org. Key:1024157541 Road and Bridge									
5120000 Regular Salaries and Wages		4,037,723.00	4,037,723.00	808,293.24	0.00	3,229,429.76	20.01		
5130001 Vacancy Factor		-71,427.00	-71,427.00	0.00	0.00	-71,427.00	0.00		
5140000 Overtime		43,024.00	43,024.00	5,508.52	0.00	37,515.48	12.80		
5160000 Compensated Annual Leave		0.00	0.00	47,839.78	0.00	-47,839.78	0.00		
5160010 Compensated Ann Leave Payoff		0.00	0.00	1,694.58	0.00	-1,694.58	0.00		
5160020 Compensated Admin Leave		0.00	0.00	1,960.81	0.00	-1,960.81	0.00		
5170000 Compensated Sick Leave		0.00	0.00	34,287.95	0.00	-34,287.95	0.00		
5210000 FICA Taxes		312,198.00	312,198.00	65,719.87	0.00	246,478.13	21.05		
5220000 Retirement Contributions		346,955.00	346,955.00	75,288.42	0.00	271,666.58	21.69		
5230000 Health Insurance		1,149,009.00	1,149,009.00	230,074.48	0.00	918,934.52	20.54		
5231000 Life Insurance		3,845.00	3,845.00	861.29	0.00	2,983.71	25.00		
5232000 Dental Insurance		27,857.00	27,857.00	5,945.85	0.00	21,911.15	21.34		
5233000 LT Disability Insurance		6,726.00	6,726.00	1,391.18	0.00	5,334.82	20.68		
5233100 ST Disability Insurance		8,997.00	8,997.00	2,518.04	0.00	6,478.96	27.98		
5240000 Workers' Compensation		438,322.00	438,322.00	96,460.55	0.00	341,861.45	22.00		
10 PERSONAL SERVICES		6,303,229.00	6,303,229.00	1,383,944.36	0.00	4,919,284.64	21.95		
5310000 Professional Services		10,000.00	10,000.00	0.00	4,469.70	5,530.30	0.00		
5340000 Other Contractual Services		749,161.00	749,161.00	59,628.97	507,321.03	182,211.00	7.95		
5400000 Travel and Per Diem		1,888.00	1,888.00	102.20	0.00	1,785.80	5.41		
5410000 Communication Services		5,050.00	5,050.00	455.47	0.00	4,594.53	9.01		
5420000 Transportation/Postage		100.00	100.00	0.00	0.00	100.00	0.00		
5430000 Utility Services		9,717.00	9,717.00	246.64	2,000.00	7,470.36	2.53		
5440000 Rentals and Leases		20,316.00	20,316.00	853.32	1,346.68	18,316.00	3.21		
5450000 Insurance		104,645.00	104,645.00	104,645.00	0.00	0.00	100.00		
5450502 Ins Claims Prop & Casualties		76,607.00	76,607.00	76,607.00	0.00	0.00	100.00		
5460000 Repair & Maintenance Svcs		84,950.00	84,950.00	643.02	0.00	84,306.98	0.73		
5460006 Dir Rd Maint/Paving		0.00	0.00	0.00	0.00	0.00	0.00		
5462000 Rep & Maint-Automotive		832,394.00	832,394.00	5,029.37	0.00	827,373.63	0.79		
5470000 Printing and Binding		500.00	500.00	0.00	0.00	500.00	0.00		
5490501 Other Worker Comp ISF Overhead		38,447.00	38,447.00	38,447.00	0.00	0.00	100.00		
User: AK27E KROK, AMY		Page: 3		Current Date: 01/04/2019					
Report: Budget_To_Actual_W_Percent		Budget to Actual with Encumbrances W Percent		Time: 11:15:53					

Source: Budget-to-Actual Report from IFAS System.

CIP EXPENDITURES (TTCIP)

The TTCIP report shows budget-to-actual transportation project expenditures from project inception to date. It shows the organization, funding source, and individual project. The TTCIP report is generated on demand by County financial staff using job ledger reports from IFAS. They are produced bi-weekly and discussed during bi-weekly staff meetings and during quarterly budget meetings with the County's Office of Management and Budget (OMB).



The Transportation & Transit Department also generates the TTCIP report anytime a project is adjusted financially, for example when funds are allocated or re-allocated; amendments to the County's five-year CIP (such as Florida Department of Transportation (FDOT)-funded projects); or when program managers request information on the status of project expenditures. County accounting staff, senior managers, project managers, and OMB staff use the TTCIP report to monitor and analyze project financial data. **Figure 1-2** presents an example of the TTCIP report, which is presented for illustration purposes only

FIGURE 1-2
TRANSPORTATION & TRANSIT CIP JOB LEDGER REPORT WITH ENCUMBRANCES

Project Number	Project Name	Approved Budget	Month to Date	Year to Date	Inception to Date	Encumbrance	Amount Remaining
3019	Boggy Creek Rd Ph 2	\$ 680,000.00	\$ 7,967.62	\$ 31,369.48	\$ 55,589.48	\$ 347,301.46	\$ 277,109.06
3480	Intersection Safety & Efficiency	\$ 6,790,942.00	\$ 710.68	\$ 68,338.79	\$ 6,441,039.15	\$ 22,212.90	\$ 327,689.95
3780	Traffic Control Equipment	\$ 1,076,794.55			\$ 916,708.27	\$ 14,559.32	\$ 145,526.96
4006	Narconossee Road at Thompkins	\$ 440,000.00					\$ 440,000.00
4007	RoadVista GIS GPS Machine	\$ 98,600.00		\$ 98,600.00	\$ 98,600.00		
4009	Boggy C. Road Imp Simpson/Narc	\$ 209,100.00				\$ 208,989.03	\$ 110.97
4011	Lakeshore Bike/Pedestrian Path	\$ 478,000.00					\$ 478,000.00
4014	Osc Pkwy Tolling Facilities	\$ 1,000,000.00					\$ 1,000,000.00
4019	East Arm Traffic Sign Tupperware	\$ 250,000.00			\$ 250,000.00		
4104	Fortune Lakeshore Multi-Use	\$ 608,165.00		\$ 36,678.12	\$ 370,581.53	\$ 180,462.47	\$ 57,121.00
4117	Neptune RD Trail Improvements	\$ 700,000.00			\$ 198,410.00		\$ 501,590.00
4123	Fiber Optic Installation	\$ 4,324,596.00	\$ 28,435.69	\$ 53,825.69	\$ 53,825.69	\$ 260,899.78	\$ 4,009,870.53
4128	Highland Elem Sidewalk	\$ 26,986.00		\$ 4,602.50	\$ 27,126.78	\$ 3,884.31	\$ 974.91
4201	ADA Sidewalk Improvements	\$ 1,050,000.00			\$ 766,235.36	\$ 20,802.38	\$ 262,962.26
4301	ATM Phase 4	\$ 2,490,785.00					\$ 2,490,785.00
4302	Parlin Settlement Rd at Fleming	\$ 549,691.00		\$ 178,098.14	\$ 455,866.16		\$ 93,824.84
4303	Pleasant Hill Rd at Windmill	\$ 70,000.00					\$ 70,000.00
4304	Donegan Ave/Smith St Mass Arm	\$ 85,000.00	\$ 3,579.23	\$ 4,543.03	\$ 19,302.71	\$ 15,697.29	\$ 50,000.00
4305	Marigold Ave at Peabody	\$ 130,000.00					\$ 130,000.00
4307	Adv Traffic Mgmt System	\$ 6,166,321.00			\$ 5,936,242.27		\$ 230,078.73
4308	Buena Ventura Blvd Widening	\$ 230,000.00			\$ 119,775.16	\$ 79,850.11	\$ 30,374.73
4309	Hoagland Blvd Phase II	\$ 53,992,141.00	\$ 6,868.39	\$ 13,804.64	\$ 18,370,282.94	\$ 3,208,659.52	\$ 32,413,198.54
4311	Osc Pkwy at Coralwood Rd Signal	\$ 360,000.00					\$ 360,000.00
4312	Celebration Blvd@ Waterside Dr	\$ 409,000.00		\$ 21,015.76	\$ 402,176.32		\$ 6,823.68
4313	Simpson Rd at Royal Palm Dr	\$ 546,585.00		\$ 212,724.84	\$ 461,644.85	\$ 2,300.00	\$ 82,740.15
4314	Neptune Rd Ph IV	\$ 921,926.00					\$ 921,926.00
4315	Thacker Ave at Loop E-W	\$ 54,364.00		\$ 2,850.00	\$ 36,439.17		\$ 17,924.83
4316	Carroll ST- IYP to Michigan	\$ 3,901,000.00	\$ 15,951.02	\$ 103,331.02	\$ 1,441,361.54	\$ 1,055,086.78	\$ 1,404,551.68
4317	NeoCity Way	\$ 13,981,846.00			\$ 315,063.00	\$ 73,774.00	\$ 13,593,009.00
4320	Marigold Ave at S Lorenzo Rd	\$ 130,000.00					\$ 130,000.00
4325	Boggy Creek Sidewalk	\$ 110,157.00				\$ 110,157.00	
4329	Ventura Elem Sch Sidewalks	\$ 159,801.00			\$ 159,772.47		\$ 28.53
4330	Neptune Road Phase III	\$ 1,818,000.00		\$ 70,642.96	\$ 103,065.59	\$ 284,679.41	\$ 1,430,305.00

Source: Transportation & Transit Capital Improvement Plan Project Budget-to-Actual Report.

PUBLIC WORKS ROADWAY PROJECT STATUS (PWRS)

The PWRS report shows project name, project number, project manager, fund, total appropriations budget, year-to-date expenditures, inception-to-date expenditures, encumbrances, remaining appropriation, last two years appropriations, and a five-year budget forecast. The Public Works Business Manager prepares the report from IFAS and downloads information into a spreadsheet so that additional project information can be added such as project manager and assigned accountant. The data table is then used to create various pivot table summaries that aid in the financial management of the projects. The PWRS report is prepared every month or two depending on need.

The Public Works Business Manager is the primary user of the report. It provides a means of tracking current budget status by fund for CIP projects. The report also helps to ensure that



project funding is managed correctly. Because this report is a high-level summary, it is used in conjunction with other reports. Public Works developed detailed project trackers to monitor granular details within the projects including individual purchase orders, as well as contingencies, owner direct purchases, and sales tax savings. These details are shared with project managers throughout the life of the project.

PROCUREMENT REPORTS LIST

Procurement Services generates many procurement-related reports to assist County management and help project managers monitor and assess their projects. **Figure 1-3** describes these reports, their frequency, and their distribution.

FIGURE 1-3
SUMMARY OF PROCUREMENT REPORTS

Report Name	Frequency	Distribution	Description/Comments
<i>Agreements expiring within next six months</i>	Monthly	Project Manager, user departments, administrative staff	Summary of upcoming agreements that expire within the next six (6) months
<i>Project Manager Notifications</i>	Weekly	Project Managers	Notification to project managers after approval of contractual agreements or amendments
<i>Project Assignments</i>	Weekly	Procurement Services management team	Current procurement projects in process
<i>Contract Compliance Reports</i>	Weekly	Project Managers	Report to be completed by project managers relating to the vendor performance under the contract
<i>Contracts by Date Range</i>	Upon Request	Project Managers	Provides contract information for project manager use
<i>Notifications of Upcoming Minority Certification Expirations</i>	Monthly	Certified vendors	Notification to certified minority vendors of upcoming expirations for certifications
<i>Information Report to Board</i>	Monthly	BOCC	<ul style="list-style-type: none">• Contracts or amendments approved by County Manager or designee• Agreement expirations that may be renewed within the next six (6) months• Emergency procurements• Upcoming evaluation committee meetings



Report Name	Frequency	Distribution	Description/Comments
County P-Card Activities	Quarterly	Assistant County Manager	Report on the number of P-card transactions, value of transactions, transactions identified for random review by compliance staff
Vendor Spend	Weekly	Cardholders, Reconcilers, Project Managers, Procurement Analysts	Report on vendor spend via P-card or purchase order to monitor for compliance with established thresholds or authorized expenditures
Approval Documents	Daily	Project Managers, department administrative staff	Copy of approved county manager approval or board agenda with copy of executed agreement or amendment
Project Assignments	Monthly	Assistant County Manager	Current procurement projects in process
Term Engagement List	Monthly	County-wide	Summary of active procurement engagements
Supplier Development Activities	Annual	BOCC	Report on supplier development activities

Source: Procurement Services.

PROJECT STATUS WITH FUNDS (PSF)

The PSF report provides, by project and fund, the project budget status for each CIP project. Managers and project managers use this report to monitor projects financially and make notes. The information on the report is generated from IFAS data and summarized within Excel. The report includes a column to add additional project information for management decision making purposes. **Figure 1-4** provides an example of the PSF report for illustration purposes only. The MJ Team cropped the last five columns of the report containing a five-year cost projection to reduce the size of the figure.



FIGURE 1-4
PROJECT STATUS WITH FUNDS REPORT

Project Budget Status w/ Notes						PW OPEN PROJECTS					Financials as of 01/30/19
DEPT	(All)										
PROJECT NAME	PROJECT #	PM	Acct	FUND	NOTES	Sum of APPR. BUDGET	Sum of YEAR TO DATE	Sum of INCEP. TO DATE	Sum of ENCUMB	Sum of REMAINDER	
Animal Svc Vehicle	2107	Hector	Crystal	001		300,747	-	206,747.20	-	93,999.80	
Animal Svc Vehicle Total						300,747	-	206,747.20	-	93,999.80	
Bass Slough	9201	Susan	Sharon	113	Working on permitting through SFWMD	40,796	-	-	-	40,796.00	
Bass Slough Total						40,796	-	-	-	40,796.00	
Boggy Creek Bathymetric Analysis and Permitting	P19-034	Susan	Katie	141		-	-	-	-	-	
Boggy Creek Bathymetric Analysis and Permitting Total						-	-	-	-	-	
Bridge Rehabilitation	4359	Jimmy	Sharon	102		365,241	-	365,240.91	-	0.09	
				306	Continue working on the in-house list of bridges to be rehabilitated.	794,759	-	788,081.09	-	5,677.91	
Bridge Rehabilitation Total						1,160,000	-	1,153,322.00	-	6,678.00	
Bridge Safety Features	4322	Jimmy	Sharon	102		299,325	-	299,324.98	-	0.02	
				306	Poinciana Boulevard, Buenaventura Boulevard, Neptune Road, Hickory Tree, and Canoe Creek are scheduled for improvements.	495,675	-	224,890.01	90,079.46	180,705.53	
Bridge Safety Features Total						795,000	-	524,214.99	90,079.46	180,705.55	
Bridge Scour Countermeasures	4122	Jimmy	Sharon	306		191,215	-	-	191,215.00	-	
Bridge Scour Countermeasures Total						191,215	-	-	191,215.00	-	
Code Enforcement Vehicles	1407	Hector	Crystal	001		143,370	-	110,685.10	31,601.00	1,083.90	
Code Enforcement Vehicles Total						143,370	-	110,685.10	31,601.00	1,083.90	
Concrete Road Replacement	4306	Jimmy	Sharon	306	Update plans, and bid Sleepchase Lane and Fox Tail Court	1,136,306	-	797,969.06	-	337,336.94	
Concrete Road Replacement Total						1,136,306	-	797,969.06	-	337,336.94	
Correction Veh Replacement	2102	Hector	Crystal	001		458,000	88,782.84	116,746.84	309,848.99	31,404.17	
Correction Veh Replacement Total						458,000	88,782.84	116,746.84	309,848.99	31,404.17	
Denn John Retail Center	7012	Sally	Samantha	104	Not certain if this is PW project	1,259,874	-	1,259,873.50	-	-	
Denn John Retail Center Total						1,259,874	-	1,259,873.50	-	-	
Eagle Bay	1420	Todd	Sharon	001	Construction is underway	800,000	-	661,622.02	136,377.98	-	
				306	This ~\$555k encumbrance will be reduced by ~\$197k due to over encumbrance issue (05/10/17 - AAK)	555,163	77,055.56	258,757.46	99,881.54	196,524.00	
				328	Construction is underway	600,000	-	600,000.00	-	-	
Eagle Bay Total						1,955,163	77,055.56	1,520,379.48	238,259.52	196,524.00	
Facilities Maintenance New Vehicle	18105	Hector	Crystal	001		-	-	-	-	-	
Facilities Maintenance New Vehicle Total						-	-	-	-	-	
Fanny Bass Slough SW Imp	3810	Susan	Sharon	156		1,500,000	-	-	-	1,500,000.00	
				306	In permitting with SFWMD Note: we told OMB we could give back \$543,881 in May 2017	104,119	1,951.90	46,076.50	58,042.50	-	
Fanny Bass Slough SW Imp Total						1,604,119	1,951.90	46,076.50	58,042.50	1,500,000.00	
Fleet Maint Facility Eff Upgra	4113	Hector	Crystal	510		30,000	-	22,038.00	-	7,962.00	
Fleet Maint Facility Eff Upgra Total						30,000	-	22,038.00	-	7,962.00	
Fleet Vehicle Replacement	4204	Hector	Crystal	001	Ongoing	297,879	77,313.33	247,813.58	-	50,065.42	
				102	Ongoing	90,000	-	-	90,000.00	-	
				154	Ongoing	8,779,241	160,302.55	5,131,752.38	2,056,004.16	581,484.46	
				155	Ongoing	30,000	-	26,579.33	-	3,420.67	
				306	Ongoing	670,067	-	508,599.34	-	161,467.66	
				401	Ongoing	148,087	-	138,066.25	10,000.00	0.75	
				407	Ongoing	15,000	-	-	-	15,000.00	
				510	Ongoing	323,489	-	323,488.55	-	0.45	
Fleet Vehicle Replacement Total						10,353,763	237,615.88	7,376,319.43	2,166,004.16	811,439.41	
Fuel Proximity Sensors	4017	Hector	Crystal	511		241,080	-	-	152,845.40	88,234.60	
Fuel Proximity Sensors Total						241,080	-	-	152,845.40	88,234.60	
Hoagland Industrial Park	P19-066	Sally	Samantha	001		-	-	-	-	-	
Hoagland Industrial Park Total						-	-	-	-	-	
Kempfer Rd Culvert Replacement	3102	Susan	Sharon	156		1,023,671	-	-	-	1,023,671.00	
				306		342,000	-	-	-	342,000.00	
Kempfer Rd Culvert Replacement Total						1,365,671	-	-	-	1,365,671.00	
Lake Marian Boat Ramp	1405	Susan	Katie	141	The lowest bid in 2016 for the Lk Marian renovation was \$590,520 by Grove Construction	279,161	-	38,309.90	2,486.10	238,365.00	
Lake Marian Boat Ramp Total						279,161	-	38,309.90	2,486.10	238,365.00	

Source: Project Status Report.



PROJECT FINANCIAL TRACKER-EXECUTIVE SUMMARY (PFT-ES)

The PFT-ES report is a summary of project financial information prepared in executive-level format for review and discussion with the County Manager and senior staff. Public Works staff prepare these reports from detailed spreadsheets created and updated by Public Works project accountants for individual capital projects. The underlying spreadsheets track all project expenses, by purchase order, as well as owner direct purchases and project contingencies.

JOB LEDGER REPORT (JLR)

JLR online reports allow users to “drill-down” from a total on a summary report, to the transaction detail, to a specific invoice. Osceola County uses the job ledger module in its IFAS financial system to budget for and track capital projects from inception to date. Each project is assigned a project number and budgets are established in project accounts, which are the project number followed by the fund in which the budget is established. Each project account is mapped to the appropriate general ledger account.

The JLR is a summary level report that shows the project, budget, actuals, and encumbrances. IFAS has drill down capability. When users click on the "Inception-to-Date" number on the report a transaction detail is revealed showing a summary of each invoice paid by category of expense for example, land acquisition/design/construction. Another drill-down report is available from this report showing invoice details. If the user drills down to the invoice level, a copy of the actual invoice and all supporting documentation will display.

Based on the analysis performed, management reports/data that program administrators use on a regular basis are adequate to monitor program performance and cost. Accordingly, this subtask is met.

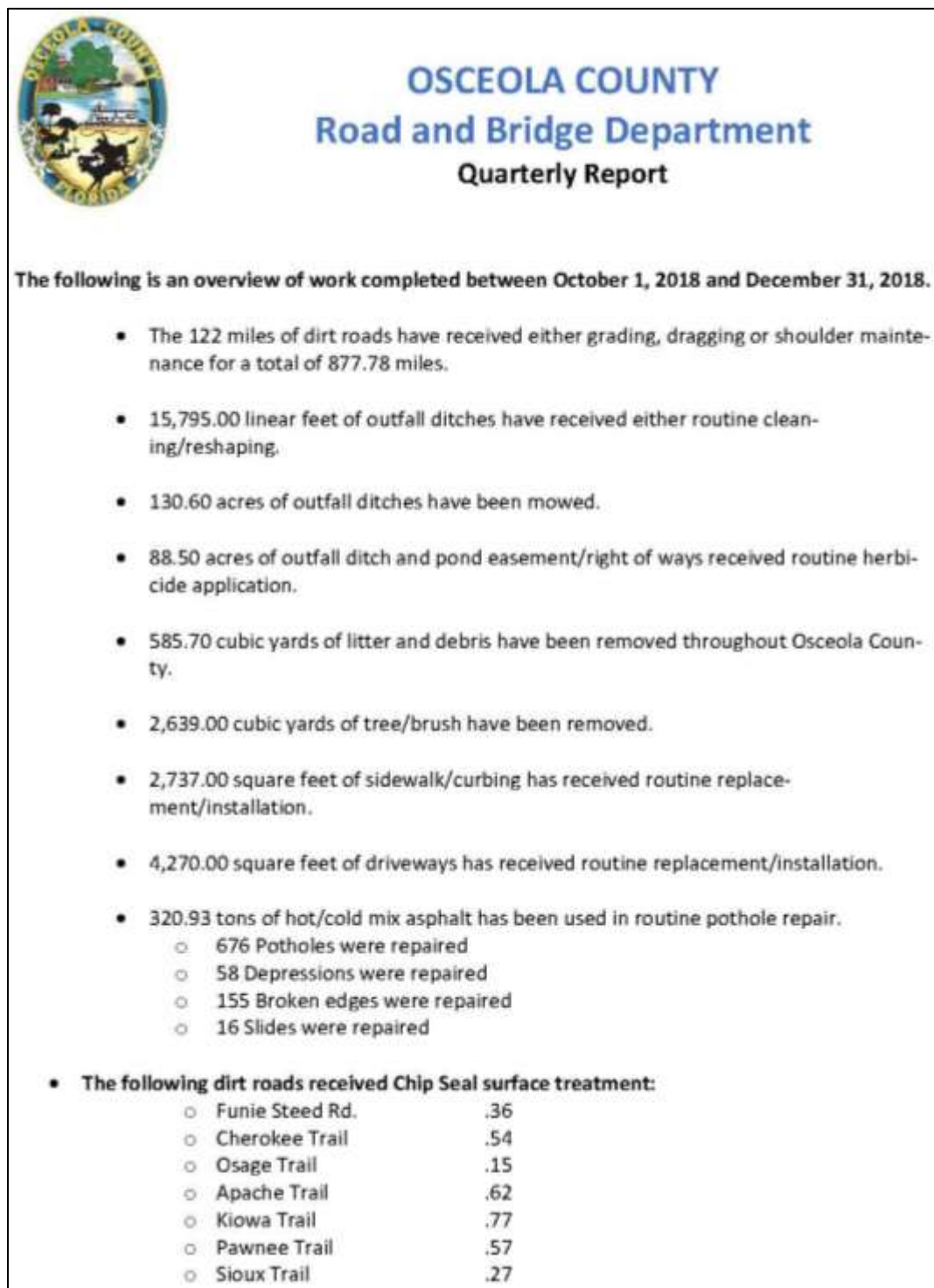
SUBTASK 1.2 – Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.

To address the requirements of this subtask, the MJ Team examined evaluation reports and evidence of meetings where performance information was discussed and documented.

The Road & Bridge Quarterly Overview of Work Performed is an overview of work completed. It outlines, for example, how many miles of dirt roads were graded, ditches cleaned, and outfall ditches mowed. This report illustrates how R&B uses performance information to assess program performance. **Figure 1-5** provides the first page of the 11 page first quarter Fiscal Year 2019 R&B Quarterly Overview of Work Performed report.



FIGURE 1-5
QUARTERLY OVERVIEW OF WORK PERFORMED REPORT



Source: Road & Bridge Quarterly Performance Report-Page 1 of 11.



PROJECT PERFORMANCE MEETINGS

The MJ Team also examined evidence of project performance meetings. Osceola County project managers hold project meetings to discuss reports that track project status, schedule, and costs. The County provided sample calendars and meeting agendas as evidence of these meetings and discussions. Issues concerning construction schedules and funding are raised during these meetings and are discussed during bi-weekly department meetings as well. Issues arising out of the bi-weekly department meetings are elevated for discussion with County management as necessary.

Transportation & Transit staff also provided the MJ Team with an example of an individual district commissioner report that is prepared upon request and presented to the district commissioner for discussion of project development and status.

The MJ Team also obtained a list of regularly scheduled manager's meetings where performance information and other program criteria are discussed. Staff participate in various meetings, both internal and external, to review program schedules, project performance and operational best practices. The fact that the meetings are regularly scheduled and conducted indicates a commitment to communication and collaboration among members of the County's management teams. The topics discussed at these meetings demonstrates a commitment to using performance information and other reasonable criteria to assess program performance and cost. Verbatim examples of topics discussed at the meetings are provided in **Figure 1-6** and include review of plan status and performance at various intervals, discussion of equipment failures, and discussion of a traffic signal cost-benefit analysis. The following is a list of regularly scheduled meetings.

Road & Bridge Meetings

Road & Bridge weekly and bi-weekly administrative and district meetings. These meetings include reviews of production schedules, staffing, and financial status.

Engineering and Stormwater Meetings

Weekly Public Works Engineering and Stormwater meetings. These meetings include reviews of production schedules, staffing and financial status.

Commissioner Briefings

Weekly meeting with the board chair. These meetings are to discuss ongoing and upcoming projects with the commissioner in advance of weekly Board of County Commissioner (BOCC) meetings.

Deputy County Manager Meetings

Bi-weekly meeting with the Deputy County Manager. These meetings are to discuss ongoing and upcoming projects with the Deputy County Manager as well as other Transportation & Transit and Public Works topics.



Interdepartmental Meetings

Bi-weekly meetings with Transportation & Transit, Public Works and other departments. These meetings are to discuss development, stormwater, and transportation issues as well as projects that require or benefit from interdepartmental coordination and planning.

Interagency Meetings

Monthly coordination meeting with Toho Water Authority. These meetings are to discuss development, stormwater, and transportation issues and projects which require or benefit from interagency coordination and planning.

Intergovernmental Meetings

Monthly coordination meeting with the cities of Kissimmee and St. Cloud. These meetings are to discuss development, stormwater, and transportation issues and projects that require or benefit from intergovernmental coordination and planning.

Transportation & Transit Meetings

Transportation & Transit managers use a tool called the Master Projects List, which is a comprehensive listing of all Transportation & Transit projects. The department uses the list as a tool to facilitate discussion during its bi-weekly meetings during which Transportation & Transit managers and financial staff review the status of all Transportation & Transit projects. The Master Projects List is an Excel workbook that summarizes key information from the project documents, which reside on the County's server. The Master Projects List includes the following Excel worksheets:

- Signals
- Roads
- Sidewalks
- ITS-ATMS (Intelligent Transportation System-Advanced Traffic Management System)
- Transit
- Traffic Engineering
- Trails
- Miscellaneous

Each worksheet in the Excel workbook has the following fields of information:

- Project ID #
- Project Type
- Description
- Commission District
- County Project Manager
- Estimate
- Engineer's Estimate



- Funding Source
- Contractor
- Approved By BCC/CM
- Notes
- Ball in Court (Identifies person responsible for a given action)

To gain an understanding of the nature of the project evaluations and performance information discussed during Transportation & Transit meetings, the MJ Team selected a sample of notes from the Master Projects List for three (3) projects, which are presented in **Figure 1-6**. The notes provide evidence of real discussions around performance information and other reasonable criteria to assess program performance and costs. Verbatim examples of topics discussed in **Figure 1-6** include review of plan status and performance at various intervals, discussion of equipment failures, and discussion of a traffic signal cost-benefit analysis. Pertinent sections are highlighted. The MJ Team redacted employee and vendor names from the worksheet's "Meeting Notes" column.

FIGURE 1-6

ILLUSTRATIVE VERBATIM NOTES FROM TRANSPORTATION & TRANSIT MASTER PROJECTS LIST

Project ID	Project Type	Meeting Notes
1022	Signal Construction	4/4/2018: Single mast arm to control the intersection. [Redacted Name] reviewing 60 percent plans 9/11. 100 percent plans returned 10/23. Need contractor? Waiting on [Redacted Name] to send mast arm plans for review 11/6. 100 plans approved by [Redacted Name] 11/19/2018; Signed and sealed plans approved by [Redacted Name] 12/18. Waiting on School board for construction.
1008	PD&E-Neptune Road-2	"Draft alternatives are complete; [Redacted Name] met with [Redacted Name] and Osceola staff 12/14 for review; direction was provided to [Redacted Name] for preferred alternatives to move forward with. Follow up was necessary for questionable ROW in front of Tohoqua. May require St. Cloud coordination. [Redacted Name] to meet with legal, [Redacted Name] to discuss options re the Tohoqua plat. Coordinating with turnpike 1/15/2019. [Redacted Name] to discuss with [Redacted Name] 1/28/2019 to see about impact fees from their two developments. Need to purchase addtl ROW from Tohoqua and Kindred - not in development order. Alternatives public meeting scheduled for 4/11/2019; typical sections complete; finishing up environmental surveys 2/14/2019.
1010	ITS-ATMS-Router/Switches	[Name Redacted] received email 5/8 from [Vendor]. Issue had been raised 2 yrs ago with [Name Redacted] and [Name Redacted]. No action plan initiated; equipment failures now reaching a critical mass. [Name Redacted] requested action plan and cost estimate due from [Vendor] on 5/18. Should be in the \$50k range depending upon what needs can be deferred till FY 2019. In CIP for intersection improvements (\$400,000); [Name Redacted] removing some switches to get procurement underway 8/1/2018. One PO (\$9,000) issued 9/4/2018; waiting for FY 2019 for remainder. [Name Redacted] reviewing additional needs (\$26,000) with [Name Redacted] 1/2 of the costs will be pushed into the next fiscal year. PO issued for \$26,000; need to identify remainder in FY 2019 budget. [Name Redacted] working



Project ID	Project Type	Meeting Notes
		on transfer of funds to purchase ITS [Vendor] hardware (invoice \$20,277.33) should be complete by 11/15. Budget transfer complete 12/4; PO sent to vendor on 12/14/2018; routers here - switches arrived 2-12-19 but without power supply. Now awaiting power supply which has a 3/7/2019 ship date.
1008	Traffic Engineering Study-In-house signal maintenance	[Redacted Name] conducting a cost-benefit analysis to determine whether it would be more effective for Osceola County to maintain its own signals (sted City of Kissimmee). [Redacted Name] to develop phased in schedule for hiring/training Osceola personnel 11/8/2018. [Redacted Name] meeting biweekly with City of Kissimmee for facilitation. Draft maintenance contract complete 2/14/2019; [Redacted Name] writing transition plan 2/14/2019.

Source: Transportation & Transit's Master Projects List.

Based on the analysis performed, the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost. Accordingly, this subtask is met.

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

To address the requirements of this subtask, the MJ Team reviewed FDOT evaluation reports of the County's transportation projects. Transportation & Transit's Fiscal Year 2019 budgeted capital improvement project revenue consists of approximately 42 percent of federal and state grant funds. The majority of these funds flow through FDOT's Local Agency Program (LAP). The Local Agency Program provides sub-recipient towns, cities and counties develop, design, and construct transportation facilities with federal funds. FDOT is the steward of the federal funds and is responsible for oversight on behalf of the Federal Highway Administration (FHWA).

FDOT evaluates Osceola County on a project specific basis and completes a performance evaluation. In February 2018, FDOT provided the County with evaluation results for five projects. The FDOT evaluation assessed the five projects as one bundle and evaluated the projects in three topical areas: (1) Professional Services Procurement; (2) Construction Advertisement & Award; and (3) Construction Phase. Each topical area has a series of evaluation criteria against which project performance is assessed. Points are scored based on answers selected in response to the criteria. The highest possible score is 3.0 in each topical area for the five bundled projects.

Figure 1-7 summarizes the County's score for the February 2018 evaluations. The evaluation results show that the County achieved an overall score of 2.45 out of a possible 3.0 points for the five projects.



FIGURE 1-7
FDOT PROJECT PERFORMANCE EVALUATION RESULTS

Project	Professional Services Procurement Score	Construction Advertisement & Award Score	Construction Phase Score	Overall Score
Total Points	19	17	35	71
Total Questions	8	7	14	29
Coral Avenue	2.38	2.43	2.50	2.45
Brown Chappel Road				
Ventura Elementary				
Underwood Avenue				
Boggy Creek Elementary				

Source: Transportation & Transit project files.

Figure 1-8 provides an example of two criteria from the Professional Services Procurement topical area. The FDOT evaluator gave the County low scores in these areas thereby contributing to the County's 2.38 score shown in **Figure 1-7**. In **Figure 1-8**, the FDOT evaluator chose 1 for Evaluation Criterion #1 (see highlighted text), which resulted in the lowest possible points for Evaluation Criterion #1.

In addition to the score, FDOT provided a comment for each topical area. In the comment section, the FDOT evaluator elaborated on why the evaluator selected the option that they selected. In other words if the evaluator selected "1", which is the lowest score, the comments section provides the evaluator's reason for the selection. **Figure 1-8** provides the evaluator's explanation for the choice made. The text highlighted in yellow underscores the FDOT evaluator's concern.

FIGURE 1-8
FDOT PROJECT EVALUATION

Professional Services Procurement (Planning, Design, CEI Phases where a consultant is being hired. A given project may have multiple evaluations for multiple consultant procurement phases. If planning, design, and/or CEI is being performed in-house, this section would not apply to that particular phase.)

Evaluation Criterion #1 – The Agency's staff promptly replied to Department requests for information and provided project information in a timely manner.

1. The Agency's staff were difficult to contact, taking two weeks or more to provide requested information and/or requiring numerous follow-up requests from the Department.
2. The Agency's staff provided requested information in less than a week and/or with one follow-up request.
3. The Agency's staff provided requested information within 72 hours without additional follow-up needed.



N/A Not applicable {No requests for information from the Department to the Agency.}

Evaluation Criterion #2 – The Agency's draft RFQ/RFP contained all federal and state requirements. (Tied to LAP Professional Services Checklist: Required Forms, Compliance with State and Federal Contracting Requirements, and Disadvantaged Business Enterprise (DBE) and Bid Opportunity List).

1. The Agency's RFQ/RFP was missing three or more of the required items and/or multiple revisions of the document were required.
2. The Agency's RFQ/RFP was missing less than three of the required items and only one revision of the document was required.
3. The Agency's RFQ/RFP contained all federal and state requirements upon initial review. No revisions were required.

FDOT Evaluator Comments-Professional Services Procurement

Evaluation Criterion #1 – The County communicated/responded through the point of receiving concurrence to negotiate, which was provided 9/19/16. At that time, the County anticipated negotiations commencing on 10/10/16. On 11/14/16, the County advised that negotiations should be finalized on 11/15/16, going to the Board for approval on 12/5/16. As of 11/30/16, the County had not provided negotiation documents, which initiated District follow-up. On 12/8/16, the County advised they had submitted, but to the wrong Department. Significant follow-up from the Department to obtain sufficient information to concur with contract award (2/13/17) was required.

Evaluation Criterion #2 – Initial RFP submission was missing 4 federal requirements and included references to different project(s). The RFP was advertised without FDOT concurrence. Addendum one made clarification to the RFP regarding phases and programming.

Source: FDOT LAP Project Evaluations-February 2018.

The County reviewed the performance evaluations noting that FDOT indicated that County staff were not responding to the FDOT in a timely manner. FDOT's evaluation reports constitute findings and recommendations included in a relevant external report on program performance. Thus, the FDOT reports evaluating the County's transportation project performance meet the requirements of Subtask 1.3. The County took action on the FDOT findings that the MJ Team will address in Subtask 1.4.

Warrant Studies

In addition to reviewing the findings in FDOT's LAP program evaluation reports, the MJ Team also reviewed warrant study results. Warrant studies are assessments of traffic patterns and volume at a given intersection to determine whether a traffic signal is *warranted*.

Florida local governments and the FDOT use the procedures outlined in the Manual on Uniform Control Devices (MUTCD) to conduct warrant studies. The MJ Team's review of Chapter 4C.- *Traffic Control Signal Needs Study* in the MUTCD revealed that an engineering study of traffic conditions, pedestrian characteristics, and physical characteristics of a given location should be performed to determine whether installation of a traffic control signal is justified.



Due to the high volume of traffic at the intersection of Poinciana Boulevard and Siesta Lago Drive in Osceola County, the County commissioned a study to determine if a traffic signal was warranted. The results of the study indicated that a traffic signal was in fact warranted. The warrant study is another example of a finding in a relevant external report on program performance and therefore satisfies the subtask. The County took action on the warrant study's findings that the MJ Team will discuss in Subtask 1.4.

Internal Audit Reports

In yet another example of findings and recommendations in relevant reports, the County Commission Auditor provided the MJ team with internal audit reports. In March 2016, the County Commission Auditor performed an audit of Road & Bridge construction projects. The objectives of the audit were to:

- Assess the effectiveness of the Osceola County Road & Bridge Department's efforts to ensure that construction projects are monitored in accordance with the Florida Department of Transportation (FDOT) standards; and
- To ensure the Department is in compliance with FDOT maintenance standards for roads and bridges in the County.

The audit scope covered maintenance projects conducted between October 1, 2013, and September 30, 2014. The County Commission Auditor identified that improvements could be made in the following areas:

- R&B needs to establish a pavement preventive maintenance program. This could be accomplished using the recently concluded Pavement Condition Index (PCI) report.
- Policies and procedures for oversight and inspection activities need to be formally documented.
- The contracted services performed for Road & Bridge are inspected for compliance with the scope of the contracts prior to payment authorization but this quality review is not documented on the inspection checklists provided to OCA by the Department.
- The Infrastructure Asset Maintenance Management System's (IAMMS). IAMMS' scheduling features are not being fully used for all maintenance activities. IAMMS is an inventory tracking system used for Road & Bridge and Fleet and Traffic Operations. Items tracked vary from bolts, signs, limerock, culverts, and all items used by the various departments. This tracking system is used as a check and balance point by the County's Audit Department.
- IAMMS no longer receives vendor's technical assistance and support, and cannot be upgraded, because the vendor no longer supports the software.

To address these improvement needs, the auditor made the following recommendations to R&B management:



1. Consider putting adequate measures in place to deploy the PCI for an effective preventive maintenance scheduling system that would enable a routine or periodic maintenance program pursuant to Chapter 10 Section B-3.1 of FDOT standards.
2. Include formal documentation of oversight activities as part of its procedures and controls for monitoring to ensure that the County receives the most value for the monies expended for roadways and bridge maintenance contracted services.
3. Acquire a different computerized asset management and maintenance software that has the ability to plan and schedule preventive and periodic maintenance, and has capacity to hold and produce historical data to support management planning decisions.
4. If the Department is unable to acquire new asset management and maintenance software, the Department and IT may coordinate efforts to reach a workable interim arrangement for continual use, and implement personnel training on the use of the current system to maximize its potential.

The County Commission Auditor's report is an example of findings and recommendations in relevant internal reports on program performance and costs. Therefore, this report satisfies the subtask. The County took action on the auditor's findings that the MJ Team will discuss in Subtask 1.4.

In December 2015, the County Commission Auditor issued a follow-up report on the implementation status of recommendations contained in an original audit report entitled: *Audit of Procurement Processes - Sole Source Contracts and Services* issued by the commission auditor on November 3, 2014. The following is a summary of the findings in the original audit report:

- Procurement Services Department (PSD) accepts incomplete Single Source Request Forms.
- Procurement Services Procedures Manual PUR-14-0.0.0 did not define the steps required to ensure accurate validation of users' justification for Sole Source designation.
- OCA found instances of noncompliance with the requirement to evaluate contracts with the Contract Compliance Report (CCR) in accordance with the Contract Compliance Program (CCP).

The original report contained the following recommendations.

1. Ensure complete adherence to procedures and requirements regarding user departments' responses and assertions on Single Source Request Form (SSRF). Designate submitting incomplete SSRF to PSD as an unacceptable sole source request practice.
2. Consider defining what constitutes sole source validation to increase adherence to procedures and requirements. This may be achieved by developing actionable checklists for processes. Such checklists may serve as guidelines when reviewing sole source request for (i) the activities/actions that are required to validate a sole source request; (ii) documentation of market research; and (iii) elements of unacceptable sole source request.



3. We recommend that all Contract Managers/Analysts use the Contract Compliance Report as required by the CCP for evaluation and monitoring of sole source contracts and vendors. Effective ongoing monitoring will identify possible exceptions for management review and follow-up. Management may also consider developing further parameters for review and oversight to correct the inadequacy in the existing ones.

The County Commission Auditor's follow-up report is yet another example of findings and recommendations in relevant internal reports on program performance and costs. Therefore, this report satisfies the subtask. The County took action on the auditor's findings that the MJ Team will discuss in Subtask 1.4.

Based on the analysis performed, the MJ Team was able to review findings and recommendations included in relevant internal or external reports on program performance and cost. Accordingly, this subtask is met.

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.

To address the requirements of this subtask, the MJ Team posed follow up questions regarding actions taken to implement recommendations from each of the reports discussed in Subtask 1.3. **Figure 1-9** summarizes the recommendations made in the reports and the action management took to address them.

FIGURE 1-9
REPORT RECOMMENDATIONS AND IMPLEMENTATION STATUS

Audit Report	Findings / Recommendations	Management's Action / Response
<i>FDOT Evaluation of 5 LAP projects</i>	Significant follow-up from the Department to obtain sufficient information to concur with contract award (2/13/17) was required. Initial RFP submission was missing 4 federal requirements and included references to different project(s). The RFP was advertised without FDOT concurrence.	In response, Osceola County made changes to internal staff (traffic engineer resigned) and brought in a consultant to help with LAP coordination. The MJ Team reviewed the April 2018 Task Authorization form and consultant contract noting that the consultant is to provide in-house services to assist County staff in advancing transportation, transit, and public works initiatives, including grant identification, development, and submission as directed by the County. FDOT re-certified the County in the LAP program in November 2018 signaling a restoration of FDOT's confidence in the County's ability to deliver LAP projects successfully.



Audit Report	Findings / Recommendations	Management's Action / Response
Traffic Signal Warrant Study	A traffic signal at the intersection of Poinciana Boulevard and Siesta Lago Drive is warranted	The County allocated design money to the project and is moving it the project into construction. The MJ Team noted on the master project sheet that the traffic signal project number is Project #1010 and that the engineer's funding estimate is: FY 2018: \$210,000 FY 2019: \$338,392
County Commission Auditor audit of Road & Bridge Projects	<ol style="list-style-type: none">1. Consider putting adequate measures in place to deploy the PCI for an effective preventive maintenance scheduling system that would enable a routine or periodic maintenance program pursuant to Chapter 10 Section B-3.1 of FDOT standards.	<p>The Road & Bridge Department concurs that the PCI program could help with the scheduling of preventative pavement maintenance. Pavement Condition Index (PCI) Program is currently being used as a resurfacing schedule programming tool.</p> <p>The Road & Bridge Department does not concur that there is not a pavement preventative maintenance program. The Road & Bridge Department maintains that there is a pavement preventative maintenance program through the Milling/Resurfacing 5 Year CIP presented to the BCC each Fiscal Year. The Department has no control over how much funding receives final approval by the BCC.</p>
	<ol style="list-style-type: none">2. Include formal documentation of oversight activities as part of its procedures and controls for monitoring to ensure that the County receives the most value for the monies expended for roadways and bridge maintenance contracted services.	<p>The Road & Bridge Department concurs that formal documentation of oversight activities is needed and has prepared the following: ·</p> <ol style="list-style-type: none">3. Standard Operating Procedure (SOP) for oversight and inspection activities4. An inspection checklist to be completed for each contractual service performed by outside vendors5. All contractual services performed for Road & Bridge are inspected for compliance with the scope of the contract prior to payment authorization. The majority of contractual services receive constant inspector oversight for complete duration of the project. Other services are inspected intermittently and immediately after completion, again to ensure compliance with the scope of the contract prior to authorization of payment. Examples of contractual



Audit Report	Findings / Recommendations	Management's Action / Response
		<p>services receiving constant oversight are, asphalt milling and resurfacing, chip seal surface treatment application and roadway subsurface injection. Examples of services receiving intermittent inspection as the work is being performed are street sweeping, guardrail repair, versa-ditching and pipe video inspection. Only after final inspection and acceptance of the services performed does the inspector sign off on an invoice authorizing payment.</p> <p>Target Implementation Date: January 1, 2016</p>
	<p>6. Acquire a different computerized asset management and maintenance software that has the ability to plan and schedule preventive and periodic maintenance, and has capacity to hold and produce historical data to support management planning decisions.</p>	<p>The Road & Bridge Department concurs that the Infrastructure Asset Maintenance Management System (IAMMS) is outdated software and needs to be replaced. This has been requested as an overall asset management system thru Public Works but has not received approval. Target Implementation Date: Dependent upon County Manager approval of the software acquisition.</p>
	<p>7. If the Department is unable to acquire new asset management and maintenance software, the Department and IT may coordinate efforts to reach a workable interim arrangement for continual use, and implement personnel training on the use of the current system to maximize its potential.</p>	<p>The Road & Bridge Department concurs that new asset management and maintenance software is needed. The Road & Bridge Department does not concur that the system is not being used to its current potential. The schedule module is not functional. The original intent of the system was to have a data base for work activity production information. Many such modules were not part of the initial contract scope and the program lost support before additional funding was available to add modules. Target Implementation Date: Budget will be requested for new software for FY 2017. Implementation of this software would be dependent on County Manager approval.</p>



Audit Report	Findings / Recommendations	Management's Action / Response
County Commission Auditor follow-up Audit of Procurement Processes - Sole Source Contracts and Services	<ol style="list-style-type: none">1. Ensure complete adherence to procedures and requirements regarding user departments' responses and assertions on Single Source Request Form (SSRF). Designate submitting incomplete SSRF to PSD as an unacceptable sole source request practice.2. Consider defining what constitutes sole source validation to increase adherence to procedures and requirements. This may be achieved by developing actionable checklists for processes. Such checklists may serve as guidelines when reviewing sole source request for (i) the activities/actions that are required to validate a sole source request; (ii) documentation of market research; and (iii) elements of unacceptable sole source request.3. We recommend that all Contract Managers/Analysts use the Contract Compliance Report as required by the CCP for evaluation and monitoring of sole source contracts and vendors. Effective ongoing monitoring will identify possible exceptions for management review and follow-up. Management may also consider developing further parameters for review and oversight to correct the inadequacy in the existing ones.	The MJ Team reviewed the implementation status of the recommendations in the follow-up report noting that the County Commission Auditor indicated that all recommendations were implemented.

Source: The Various Reports outlined in Subtask 1.3.

On July 12, 2017, the Commissioner Auditor issued a follow-up report to the audit of R&B construction projects. The auditor determined the R&B Department's implementation actions to be reasonable. The auditors wrote:

We have reviewed the corrective actions implemented by the Road & Bridge Department (R&B) in the follow up Audit of the Road & Bridge Construction Projects. Based on the processes inspected and the records reviewed, OCA determined the actions and their implementation status reasonable for the resolution of the action plans contained in the audit report issued March 2, 2016 to the Osceola Board of County Commissioners (BCC).



The auditor's conclusion to the report was as follows:

The corrective actions taken/or in the process of implementation were determined reasonable and adequate for the resolution of the action plans contained in the audit report.

Based on the analysis performed, the MJ Team was able to determine that program 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. Accordingly, this subtask is met.

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

To address the requirements of this subtask, the MJ Team examined a variety of documentation the County provided to demonstrate that it evaluates program performance and cost based on reasonable measures, including best practices. This documentation is discussed below.

PAVEMENT MANAGEMENT PROGRAM

Pavement Condition Index (PCI) is an engineering term representing the surface condition of pavement on a scale of 0 to 100. For example, a PCI of 100 is a pavement in perfect condition while a PCI of 0 is a pavement that is failed. **Figure 1-10** presents the industry standards for PCI condition levels.

FIGURE 1-10
INDUSTRY STANDARD FOR PCI CONDITION LEVELS

Table 1.2, an industry standard, defines the different PCI condition levels with respect to the remaining life of a pavement and typical rehabilitation options recommended.

Table 1.2 - Industry Standard for PCI Condition Levels

PCI	Work Type	Description	Remaining Life	Rehabilitation Options
86-100	Rejuvenation	Good	15-25 Years	Little or no maintenance required - reclaimer, fog seal rejuvenation
71-85	Global Preventative Maintenance	Satisfactory	12-20 Years	Routine maintenance - micro surfacing, slurry seal, crack sealing
51-70	Critical Condition	Fair	10-15 Years	Cape seals, microsurfacing, thin overlays
26-50	Conventional Approach	Poor	7-12 Years	Resurface, mill and resurface
0-25	Reconstruction	Very Poor	5-10 Years	Reconstruction, rebuild, full depth reclamation

Source: 2015 Pavement Management Report.



In 2015, as a result of various seminars, training and networking opportunities attended by staff, Osceola County reevaluated its method of data gathering and analysis for determining PCI. The County elected to contract with a vendor to map and evaluate County maintained roads. The vendor evaluated the pavement conditions by driving measuring equipment over the roadways, developed PCI scores, and issued its *2015 Pavement Management Report* the scope of which was outlined in the report as follows:

The nation's highways represent an investment of billions of dollars by local, state and federal governments. For Osceola County, who maintains approximately 845 miles of paved roadways, this investment translates into roughly \$1.10 billion when factoring in a replacement (reconstruction) cost of approximately \$1.3 million per mile.

In order to protect this investment, Osceola County hired [vendor] to assist in the development of a Network Pavement Management System. This program is designed to preserve and extend the useful life of paved surfaces throughout the County and optimize the available funds to meet the network condition needs. With careful planning and diligent effort, highest performance standards could be maintained while reducing the overall long-term costs of managing the pavement network system.

The vendor's newer technology provided a more consistent grading methodology than previously possible. The County has since implemented further refinements to the prioritization of the road resurfacing program by incorporating additional information into a decision matrix. This additional information takes into consideration the road classification, level of traffic, location of emergency services, schools, and so on.

The County plans to update the 2015 study during Fiscal Year 2019. The update will reevaluate pavement conditions and identify improved best management practices. The MJ Team examined the County's Fiscal Year 2019 budget noting a planned pavement investment of \$250,000. The pavement study, changes in the County's pavement management approach, and its financial investment in continued improvements provides evidence that the County evaluates program performance and cost based on reasonable measures, including best practices.

WARD ROAD AND SIMPSON ROAD INTERSECTION IMPROVEMENTS

Osceola County partners with a number of agencies to ensure best practices are being employed for transportation issues. Transportation & Transit management meets on a monthly or quarterly basis with transportation professionals from the City of Orlando, Orange County, and Polk County to discuss potential transportation issues and solutions that affect their respective jurisdictions. As a result of this coordination, the boards of Osceola and Orange counties approved an agreement to make improvements to the Ward and Simpson Road intersection.

Orange County approved a number of developments on Ward Road, which resulted in increased usage of Osceola County's Simpson Road. Due to the increased traffic on Simpson



Road, Orange County residents began complaining that they could not access Simpson Road from Ward Road. A warrant study indicated that a traffic signal was needed. Based on the warrant study, both County boards approved a joint participation agreement (JPA). The JPA provided that Orange County would pay for an interim traffic signal and improvements to Simpson Road and when the road is widened, Osceola County would construct a permanent traffic signal.

The MJ Team examined reoccurring calendar entries related to the Orange County coordination meetings as well as a sample meeting agenda. We also examined the warrant study, the Osceola board agenda item for the JPA, and the JPA between the two counties.

The Ward and Simpson Road intersection improvement initiative is an example of how working in coordination with Orange County, Osceola County evaluated program performance based on reasonable measures and best practices and made improvements that benefited both counties. The JPA supports the best practice of formalizing agreements with external parties, and the warrant study is a reasonable measure supporting the decision to install a traffic signal. It is reasonable because it is rooted in engineering principles and methods.

BEST FOOT FORWARD

Another example of employing best practices to improve program performance and cost is Osceola County's participation in Best Foot Forward (BFF). In 2018, Osceola County joined Orange County and the City of Orlando to participate in Best Foot Forward, which was an initiative to educate vehicles and pedestrians on pedestrian safety.

In November 2018, Best Foot Forward conducted a one-day, high-visibility crosswalk enforcement action with the Osceola County Sheriff's Office, Kissimmee Police Department, St. Cloud Police Department, and the Orange County Sheriff's Office to enforce Florida's driver yield law at 11 crosswalks in these jurisdictions.

The media advertisement value for the Best Foot Forward initiative was \$52,228 with an estimated 247,408 impressions, which is defined as the point at which an advertisement or article is viewed by one person. Outreach involved six television stations, four digital/print outlets, and social media through Facebook, Twitter, and Instagram. The effort resulted in the following enforcement actions, which represent immediate performance improvements.

- Kissimmee and St. Cloud Police Departments-46 violations, 18 warnings
- Osceola County Sheriff's Office-32 violations, 21 warnings
- Orange County Sheriff's Office-36 violations, 0 warnings

Future performance improvements can only be measured over time. Costs improvements are intangible. To the extent that the Best Foot Forward initiative leads to pedestrian safety, the cost to society and the County will be reduced. They are nonetheless critical costs that the Best Foot Forward initiative was intended to address. The County's participation in initiatives like Best Foot Forward that are designed to increase transportation safety are particularly



important in light of a January 2019 report by Smart Growth America (SGA) entitled: *Dangerous by Design*.

Founded in 2000, SGA is an organization that works with elected officials, real estate developers, chambers of commerce, transportation and urban planning professionals, governors, and leaders at the federal level of government to improve everyday life through better urban planning and development and to help decision makers think more strategically about building better towns and cities. SGA's January 2019 report ranked the Orlando Metro area as the most dangerous metro area in the country based on SGA's Pedestrian Danger Index (PDI), which measures how deadly it is for people to walk based on the number of people struck and killed by drivers while walking. Based on SGA's PDI, the Orlando-Kissimmee-Sanford metropolitan areas ranked number one with a PDI of 313.3.

Given the findings of the *Dangerous by Design* report, Osceola's County's participation in the Best Foot Forward initiative is an example of a reasonable measure of the County's commitment to pedestrian safety.

ROAD & BRIDGE OPERATIONS

The use of best techniques and practices are in some ways an inherent component of Road & Bridge Operations' regular routine. Department professionals must stay abreast of the best industry techniques and practices by referencing regularly updated federal and state publications such as FDOT's Standard Specification for Road & Bridge Construction, FDOT's Design Standards, and the Federal Highway Administration's Manual for Uniform Traffic Control Devices. The County incorporates relevant sections of the latest editions of these publications into solicitations and resurfacing contracts for maintenance of traffic, contractor quality control, and quality control inspection. **Figure 1-11** is an example of these provisions embedded in a standard road resurfacing contract. The FDOT requirements are outlined in the red rectangles.



FIGURE 1-11

ROAD RESURFACING CONTRACT EXCERPT WITH FDOT PROVISIONS IDENTIFIED

- 2.5 **Public Notification:** The Contractor will be required to provide Portable Variable Message Signs for all paving operations. The number of Portable Variable Message Signs, their locations and the message that will be displayed will be determined in the preconstruction meeting prior to the paving operation. The Portable Variable Message Signs will need to be in place and in good working condition with the approved message from the preconstruction meeting a minimum of 7 days before the start of work. The Portable Variable Message Signs will need to remain onsite and operational throughout the entire project. The Portable Variable Message Signs will need to be in compliance with FDOT Design Standards, Latest Edition, the MUTCD, Latest Edition, and the FDOT Standard Specifications for Road and Bridge Construction, Latest Edition.
- 2.6 **Contractor Quality Control:** The Contractor is to provide a Quality Control (QC) Person on site during the installation of any paving operation or milling operation. The primary duty of the QC will be to perform quality control on the overall operation to include but not limited to tack spread rate, checking yield for proper thickness, appearance of mat, asphalt temperatures, proper roller techniques, slope, milling operation etc. In accordance with FDOT standard Specification for Road & Bridge Construction Latest Edition sections 105 Contractor Quality Control General Requirements and Section 330 Hot Mix Asphalt – General Construction Requirements and/or any section that would apply to the job being performed.
- 2.7 **Quality Control Inspection:** The Contractor is to provide all necessary inspection to assure effective Quality Control of the operations related to materials acceptance. This includes but is not limited to sampling and testing, production, storage, delivery, construction and placement. Ensure that the equipment used in the production and testing of the materials provides accurate and precise measurements in accordance with the applicable FDOT Standard Specifications for Road & Bridge Construction, Latest Edition. Maintain a record of all inspections, including but not limited to, date of inspection, results of inspection, and any subsequent corrective actions taken. Make available to the County the inspection records, when requested.

Source: Road Resurfacing Contract Provided by Osceola County.

The R&B Paving Supervisor ensures that the contractor satisfies scope requirements and that all onsite work requirements are being met. The Paving Supervisor works with contractor supervision and quality control personnel to inspect all aspects of the paving operation and to ensure that required reports are prepared accurately. The paving supervisor completes a daily report, as shown in **Figure 1-12**, which is filed with all of the documentation required by contract.



FIGURE 1-12
SAMPLE ROAD RESURFACING DAILY INSPECTION REPORT

Daily Resurfacing Project Report				
Project Road Name: Derby	Project Date: 11/01-11/06	Project Start Time: 0800	Project End Time: 1700	Inspector: Andrew Lingo
Project Starting Location: S Cheryl Ct		Project Ending Location: Derby Dr		
Type of Asphalt: SP 12.5	Asphalt Thickness: 150	Resurfacing:	Level & Resurfacing: Y	Milling / Thickness:
Paving Company: Preferred	Milling Company: N/A	Striping Company: Trumark	Trucking Company: Premier	
Superintendent: Logan	Superintendent:	Superintendent: Gary	Superintendent:	
Foreman: Thomas Ashley	Foreman:	Foreman: Frank	Foreman:	
Number of Personnel: 9	Number of Personnel:	Number of Personnel:	Number of Personnel:	
Paver: 8 Ft	7 ft Mill:	Stripping Truck:	Dump Trucks:	
Tack Truck: Y	Water Truck: Y	Hand Liner: Y	# of Trucks Asphalt:	
Steel Wheels: 2	Broom Tractor: Y	Stencils: Y	# of Trucks Mill:	
Rubber Tire: 1	Street Sweeper: Y			
Small but Mill: Y				
15 ft Straight Edge: Y				
Loader: Y				
MOT Provided By: Preferred		MOT Supervisor: Mike B		
# of MOT Personnel Needed: 4		# of MOT Personnel Onsite: 4		
Lane Delineation Equipment Needed: 0		Lane Delineation Equipment: 0		
# of Construction Signs Needed: 4		# of Construction Signs Onsite: 4		
# of Arrow Boards Needed: 1		# of Arrow Boards Onsite: 1		
# of Light Towers Needed: 0		# of Light Towers Onsite: 0		
Quality Control Provided By: Preferred	Onsite QC: Andrew Lauck	15 ft Rolling Straight Edge: Y	Core Rig: Y	

Source: Resurfacing Daily Inspection Report, Provided by Osceola County.



FDOT best practices and industry standards embedded in contracts, coupled with daily supervision and reporting, is adequate evidence that R&B evaluates program performance and costs based on reasonable measures, including best practices.

VENDOR PERFORMANCE EVALUATIONS

Vendor evaluation reports are an important component of the County's program performance evaluation process.

The County's Formal Solicitation/Annual Requirement or Invitation to Bid procedure outlines project managers' responsibilities for monitoring and documenting vendor performance to ensure contract compliance. Project managers must complete vendor compliance reports and report vendor performance issues to Procurement Services when attempts to resolve issues directly with the vendor are unsuccessful.

To assist project manager with fulfilling this responsibility, Procurement Services provides three tools. The first, *Tips for Meeting with Vendors*, provides guidance on what to do and what not to do when meeting with vendors. For example, "*when possible, notify Procurement Services before accepting a vendor meeting*", "*provide the same information to all vendors*", and "*document the results of the meeting.*" The second tool, *Reference Guide for the Resolution of Vendor Deficiencies*, defines the respective role of the project manager and Procurement Services in addressing vendor deficiencies. Finally, the *Vendor Performance Report* is used when attempts by the project manager and/or user department to resolve vendor performance issues have been unsuccessful.

County departments and project managers complete the *Vendor Performance Report* when there are issues with a vendor. The report documents performance issues that become the basis for conversations with the vendor and any actions that follow. This report also allows the vendor an opportunity to address issues with the County, because County staff contact the vendor to discuss the report's contents; thereby ensuring that both the vendor and the County are abiding by the terms of the agreement.

The *Vendor Performance Report* shows user department and vendor identifying information. There are checkboxes for the evaluator to identify specific vendor performance concerns such as "Item did not meet specifications", "poor job performance", or "insufficient reliability." There is an explanatory section that allows the evaluator to expound on the issue and provide specific details. Finally, there is a section that Procurement Services completes documenting action taken by Procurement Services to contact the vendor and address the issue.

The MJ Team examined two recent *Vendor Performance Reports* noting that the user had identified and explained the vendor's deficiencies, contact with the vendor was documented, and Procurement Services' actions to address and resolve the problem were evident.

The *Vendor Performance Report* provides adequate evidence that the County has a process for evaluating programs based upon vendor performance against contractual agreements, which is a reasonable performance measure.



PROCUREMENT SERVICES DEPARTMENT AWARD

The Florida Association of Public Procurement Officials (FAPPO) is a professional services organization for Florida procurement professional. The purpose of FAPPO is to promote the achievement of excellence in public procurement and professional development through education, certification, and member networking. The organization is comprised of many different types of local government agencies to include municipalities, counties, special districts and authorities, universities, colleges, school boards, public utilities, and sheriffs' offices.

In March 2018, Osceola County's Procurement Services Department received FAPPO's Excellence in Public Procurement & Best Practices Award. The Award of Excellence in Public Procurement was established to recognize organizational excellence in procurement. It recognizes agencies that meet or exceed benchmarks and best practices in the procurement profession and is achieved by those organizations that obtain a high score on a rating of standardized criteria. The program is designed to measure innovation, professionalism, e-procurement, productivity, and leadership attributes of the procurement function. Osceola County is one of sixteen (16) agencies to receive the Award of Excellence in the State of Florida in 2018. The County received a trophy at the FAPPO 51st Annual Conference and Trade Show held in Orlando, Florida on May 24, 2018. The application process for the award is rigorous and requires a considerable amount of staff time to complete. The County has received the award each of the five (5) times it has applied (2018, 2007, 2006, 2005, and 2003.) In some years when the County did not apply for the award, the Procurement Services Director opted to focus more on staff development and training provided through the National Institute of Government Procurement.

The effectiveness of the procurement function is critical to Transportation & Transit's and Public Works' ability to manage program costs and performance. Procurement Services plays a vital role in obtaining the right products and services, at the right time, in the right quantities, by qualified vendors, all in accordance with applicable laws and regulations. Accordingly, the FAPPO award serves as an indicator of successful program performance and costs based on reasonable measures, including best practices.

Based on the analysis performed, Transportation & Transit and Public Works evaluates program performance and cost based on reasonable measures, including best practices. Accordingly, this subtask is met.



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

The MJ Team selected projects for review from the master projects list. Audit procedures for the sample projects consisting of reviewing project file information such as the board agenda item, bid tabulation, contract, purchase order, change order, pay application, inspection reports, project photos, and certificates of substantial completion. Projects selected for review fall into the following categories:

- Roads, sidewalks, traffic signals and bridge construction (6 projects)
- Bridge maintenance (2 projects)
- Resurfacing (2 projects)

CONSTRUCTION PROJECTS

Osceola County utilizes the Florida Department of Transportation (FDOT) procedures and protocols to administer construction projects. This requires that an extensive process of ensuring that costs, progress and quality are constantly monitored during the construction process. A report of construction progress, along with photographs, is prepared daily. Each week, a summary report is written to document the construction progress for that week. Depending on the scope and complexity, project progress meeting are held either weekly, bi-weekly or monthly. Agendas and minutes are prepared for each meeting. At the end of each month, the weekly reports and the meeting minutes are gathered and quantities of work performed are totaled and compared with the monthly request for payment and schedule updates provided by the contractor. Constant review and oversight should ensure that when substantial and final completions are requested, all items of work have been completed in compliance with the approved plans and specifications.

Figure 1-13 presents a summary of the results indicating that the following:

- Three projects were completed and three were in progress;
- The three completed projects were completed within budget;
- Two of the three projects were not completely within 30 days of the scheduled completion date;
- Examples of inspection reports and certificates of substantial completed indicated that projects were completed well;
- Projects were awarded to the lowest responsive bidder indicating reasonable costs; and
- Projects in progress were indicated to be on schedule and within budget.



FIGURE 1-13
SUMMARY OF CONSTRUCTION PROJECTS REVIEWED

	Koa Street & North Roma	Osceola Parkway at Coralwood Road-Traffic Signal	Boggy Creek Sidewalks	Hoagland Blvd Phase 3-Road Reconstruction/ Bridge Construction	Pleasant Hill Elementary Safe Routes to School Sidewalk Project	Neptune Road Phase 2 and 3-Project Development & Environmental
General Information						
Project Description	Sidewalk Construction	Design and construction of mast arm traffic signals	Sidewalk construction	Reconstruct road to 4 lanes including sidewalks and bike lanes and bridge construction	Sidewalk Construction	PD&E to reconstruct road to 4 lanes including sidewalks and bike lanes
Competitive Bid and Award to Lowest Bidder per Bid Tabulation	Yes	Yes	Yes	Yes	Yes	Yes
Board Agenda Request	3/19/2018	7/17/2017	9/17/2018	4/02/2018 & 8/20/2018	10/17/2016 & 8/21/2017	5/4/2018
Notice to Proceed Date	4/3/2018	7/26/2017	3/11/2019	9/19/2018	3/7/2017	8/2/2018
Start/End Dates Per CIP Worksheet	3/19/2018 – 3/19/2019	10/1/2016 – 9/30/2018	10/1/2017 – 4/25/2019	10/1/2017 – 2/5/2020	2/27/2017 – 1/31/2018	10/1/2018 – 9/30/2020 & 9/30/2024
Budget versus Actual Costs						
Initial/Final Contract Amount	\$172,444.00 KOA-\$144,815.70 N. Roma \$27,628.30	\$308,942.30 \$313,437.30 PO# CO2235A HUD CDBG Fund	\$158,255 CO2692AA (plus \$34,445 for CEI services)	\$10,709,516.60 PO# CO2663A	\$344,539.90/ \$372,223.79 PO# CO2273A	\$1,333,367.28
Change Orders	Increase costs by \$1,431 for additional materials	Increase by \$4,495 due to power service hook-up issues	None	Increase costs by \$13,481 for Cattle fencing	\$27,683.89 over runs/ under runs	None
Change Order Total Amount	\$146,246.80 Koa	\$313,437.30	None	\$10,722,997.60	\$372,223.79	None
Final Payment Amount per A/P Detail Report	\$146,246.80 Koa \$27,628.30 N. Roma	\$313,437.30	NTP for Construction issued 3/11/2019 N/A – In Progress	N/A - In Progress	\$372,223.79	N/A – In Progress
Per Pay Application	\$146,246.80 Koa \$27,628.30 N. Roma	\$313,437.30	N/A – In Progress	N/A-Current: \$614,840.49 Total: \$10,722,997.60 (\$10,709,516.40+\$13,481)	\$372,223.79	N/A – In Progress



	Koa Street & North Roma	Osceola Parkway at Coralwood Road-Traffic Signal	Boggy Creek Sidewalks	Hoagland Blvd Phase 3-Road Reconstruction/ Bridge Construction	Pleasant Hill Elementary Safe Routes to School Sidewalk Project	Neptune Road Phase 2 and 3-Project Development & Environmental
Completed within Budget or Minor C/O Amount	Yes	Yes	N/A – In Progress	N/A-In Progress	Yes	N/A-In Progress
Final Costs per Budget vs Actual Report	\$146,246.80 Koa \$27,628.30 N. Roma	\$313,437.30	N/A – In Progress	N/A-In Progress	\$470,989.63	N/A-In Progress
Final Costs per Project Files	\$146,246.80 Koa \$27,628.30 N. Roma	\$313,437.30	N/A – In Progress	N/A-In Progress	\$470,989.63	N/A-In Progress
Scheduled versus Actual Completion Date						
Initial Start Date	4/16/18	7/26/17	3/11/19 (construction)	10/15/2018 (construction)	9/25/2017	9/2018
Original Completion Date	60 days or 6/15/2018	180 days from NTP or 1/22/2018	3/31/2019	2/5/2020	9/5/2017	12/2019
Change Order to Revise Dates	None	None – manufacturer 6-mos delay in mast-arm delivery	4/25/2019	None	None	N/A-In Progress
Final Completion Date	7/11/2018	8/6/2018	N/A – In Progress	N/A-In Progress	1/20/18	N/A-In Progress
Completed Timely?	Yes; reasonable timeline	No; over 30 days after scheduled completion date	N/A – In Progress Just started 3/11/19	Yes. In Progress. 21% in time complete; 23% costs	No; over 30 days after scheduled completion date	Yes; 47% 03/2019 in costs – 32% in time 1/31/2019
Completed Well?						
Certificate of Substantial Completion	6/11/2018	8/6/2018	N/A – In Progress	N/A-In Progress	3/28/2018	N/A-In Progress
Example Inspection Report	5/1/2018	5/10/2018	3/11/2019	2/11/2019	Yes, 1/13/2018-1/20/2018	N/A
Example Weekly Engineer's Summary	N/A	N/A	N/A	2/10/2019	N/A	N/A

Source: Review of Project File Information and Discussions with Transportation & Transit.



BRIDGE MAINTENANCE

Osceola County has 86 bridges within its boundaries. Pursuant to *Florida Statute* 335.074 the Florida Department of Transportation (FDOT) inspects all public highway bridges in the State. The inspections are done by State Certified Bridge Inspectors on an annual basis. The bridge inspection reports are sent to the County Public Works Department as they are completed. The County Public Works staff will review the reports and schedule maintenance/repair projects as necessary and within budgetary constraints.

Bridge inspections are governed by *Florida Statutes* Chapter 334, *Florida Statutes* Chapter 335.074, and *Florida Statutes* Chapter 20.23. The FDOT Bridge Inspection website contains links to the various manuals and guidance used to inspect and document results.

Once a bridge maintenance/repair project is initiated staff follows the prescribed Osceola County Procurement Policies and Procedures to obtain appropriate design and repair services. After all necessary approvals are obtained the project is assigned to the Public Works inspection staff. These individuals under the direction and supervision of the County Engineer will periodically visit the site and provide progress/inspection reports detailing the work activities taking place. This documentation is utilized by the County Engineer to verify work being invoiced by the design/repair services.

A request for proposal (RFP-13-03326-FH) for a continuing services agreement was advertised and awarded at the December 9, 2013 BCC meeting. Five firms were awarded an agreement. The firms are: Jr. Davis Construction, Tucker Paving, Inc., Atlantic Civil Constructors Corp., Schuller Contractors, Inc., Right's Excavation Inc. Task Authorizations are issued for each project. FY 2017 Bridge Maintenance Projects included BR# 924145 Old Tampa Highway over Shingle Creek. FY 2018 Bridge Maintenance Projects included BR# 924056 Woodcrest Avenue over Mill Slough, BR# 924177 Boggy Creek Road over Bass Slough and BR# 924189 Canoe Creek Road over Canoe Creek. **Figure 1-14** provides a sample of bridge maintenance projects selected for review, which indicate that the projects were completed within budget and on schedule and for reasonable costs.

FIGURE 1-14
REVIEW OF BRIDGE MAINTENANCE PROJECTS

Description	FY2018	FY2017
Task Authorization Form Date	5/29/2018	9/6/2017
Scope	General maintenance of bridge #924156 Woodcrest Avenue; #924177 Boggy Creek Road; #924189 Canoe Creek Road	Repair of Bridge 924147, Old Tampa Highway over Shingle Creek Tributary
Contractor	Schuller Contractors Incorporated	Atlantic Civil Constructors Corp.
Lowest Bid Per Bid Tabulation	Yes; \$74,000.36	Only bidder out of 5 approved vendors in the Continuing Service Agreement per the Agenda Request
Original Bid	\$74,000.36	\$156,091.32



Description	FY2018	FY2017
PO Change Order	10/5/2018 for \$3,780 for additional work required, more asphalt required; Revised PO total: \$77,780.36	None
Purchase Order Status	Paid \$77,780.36; Invoiced 9/30/2018	Paid \$156,091.32; Invoiced 2/5/2018
Completed within budget?	Yes	Yes
Scheduled Completion Date	09/28/2018	02/09/2018
Estimated Completion Date based on Invoice Processed Date	08/30/2018	01/31/2018
Completed within Estimated Schedule?	Yes	Yes

Source: Review of Project Files Information.

RESURFACING

In general, Osceola County maintains 956.7 centerline miles of paved roadway and 73.7 centerline miles of unpaved roadway. The Road & Bridge Pavement Rehabilitation Program addresses the needs of the paved roads in the County. The Program's goal is to efficiently utilize the BCC approved \$9 million budget for roadway resurfacing thereby preserving the County's overall roadway network health. The annual road rehabilitation list is generated through the use of MicroPaver software which generates a PCI (Pavement Condition Index) for each roadway segment in conjunction with a County developed assessment matrix. The matrix considers several factors including traffic counts, roadway type/location, proximity to essential infrastructure, and maintenance history. Once the roadway segments are prioritized they are included in the County-wide roadway rehabilitation schedule. The pavement rehabilitation methods most commonly employed are micro-surfacing which adds service years to a roadway around the middle of its expected life, and milling and resurfacing for roadways which are at the latter stages of their expected life but are not in need of full reconstruction.

A draft Annual Resurfacing Road List is developed and is reviewed with the Deputy County Manager, County Manager and individual Commissioners to obtain comments and address any concerns they may have. The Annual Resurfacing Road List is then finalized. Staff then follows the prescribed Osceola County Procurement Policies and Procedures to obtain the appropriate contractors/vendors to perform the rehabilitation work. Once the contractor/vendor is selected a final work schedule is developed. The schedule is shared with the Public Information Office, the Commissioner of the district where the work will be performed and the neighborhoods impacted. At the commencement of the work a Public Works inspector is assigned to monitor the work product, progress, maintenance of traffic (MOT), and to relay any issues encountered that require upper management review and approval.

The Public Works Director indicated that the scheduled completion date for all road segments/projects on the resurfacing list is the end of the fiscal year. Individual road



segments/projects can take as little as one day or more than two weeks. It depends on the length and condition of the segment/project as well as weather conditions. The Daily Resurfacing Tracker Schedule spreadsheet is used to monitor the status of road segments scheduled for completed for specified months during the year. Although this is the goal, it is not unusual for one or two segments to be added or moved to the next fiscal year depending on the estimated costs and the actual available budget.

Figure 1-15 / Figure 1-16 presents the actual completion period and budget for a sample of selected resurfacing projects. The analysis indicates the projects sampled were completed on time and within budget.

FIGURE 1-15

REVIEW OF COMPLETION PERIOD SCHEDULE FOR SAMPLE RESURFACING PROJECTS

Road Name	Treatment	Completed?	Subdivision/Area	Tentative Schedule
N Cheryl Court	Resurfacing	Yes	Derby Dr north	October thru January
S Cheryl Court	Resurfacing	Yes	Derby Dr south	October thru January
Darby Drive	Micro Surfacing	Yes	Poinciana Area	October thru January
Fortune Road	Resurfacing	Yes	Hwy 192/Shakerag Road	October thru January

Source: Public Works' Daily Resurfacing Tracker with Schedule.

FIGURE 1-16

REVIEW OF RESURFACING PROJECTS

Description	Preferred Material Inc.	
Lowest bid per Bid Tabulation	Yes; 2 bidders selected as primary and secondary	
Board Agenda Date - Original	9/12/2016	
Approving Departments	County Attorney, Procurement	
Original Contract Amount	\$7 million per year for 3-year service agreement; 10/21/2016 – 10/20/2019	
Amendment #1	10/2/2017 Change contract amount to \$10 million per year	
Contractor Certification	8/21/2017	
Daily Resurfacing Project Report (DRPR)	Derby Drive	Fortune Road
Start and Completion Dates per DRPR	11/01-11/06/18	11/11-11/15/18
Completion Schedule per Work Order	End of the fiscal year: 10/19/2018 Start date	11/11/2018 Start date
Completed on Time?	Yes for scheduled production period	Yes for scheduled production period
Budget	\$79,000.00/\$75,000 N&S Cheryl Street (combined project for \$154,000)	\$285,000.00
Actual Expenditures per Resurfacing Cost Tracker	\$150,255.60 including N&S Cheryl Street	\$271,041.19
Completed Within Budget?	Yes	Yes

Source: Review of Project Files Information.



Based on the MJ Team's analysis, most of the sample of projects reviewed were completed on time and within budget and costs were reasonable. Bridge maintenance and resurfacing projects were completed within budget and scheduled completion periods. Projects that are in progress are on track based in accordance with estimated schedule and projected budget information provided. However, two of the three completed capital construction projects were completed over 30 days after the scheduled completion date. Accordingly, this subtask is partially met.

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.

To address the requirements of this subtask, the MJ Team interviewed the Procurement Services Director regarding the existence and availability of procurement policies and procedures.

The County's purchasing policies and procedures are based on Chapter 3-*Procurement Code* of the County Administrative Code. As stated in the Procurement Code, its purpose is: *to simplify, clarify, centralize, and modernize the policies governing Procurement by the County. It also permits the continued development of comprehensive Procurement Policies and Procedures that provide for increased public confidence in public Procurement. Ensuring the fair and equitable treatment of all persons who do business with the County provides safeguards for maintaining a quality Procurement process.*

The Transportation & Transit and Public Works Departments use competitive procurement to take advantage of the best value for services. In addition to County policies and procedures, Transportation & Transit and Public Works must comply with applicable FDOT and Federal Highway Administration (FHWA) statutory requirements depending on the project or service. For example, Transportation & Transit receives a large portion of funding through LAP grants. FDOT administers LAP funds for the state of Florida and is responsible for oversight of funding provided by FHWA.

Accordingly, FDOT routinely reviews and approves the County's procurement documents for construction, engineering design, construction engineering and inspection (CEI). For example, many of the grant or federal pass thru programs have their own monitoring and reporting requirements/systems in addition to the County's. These additional reporting/monitoring requirements are applied regardless of the value/percentage of contribution from these agencies.

The County's Procurement Code states the following:

The provisions of this Code shall apply to the Procurement of Goods, Services, and Construction by the Board of County Commissioners (Board) and the Departments and agencies under the control of the Board. Expenditures of Federal or State assistance funds



and Grants, will be conducted in accordance with the applicable mandatory laws and regulations, which may not be reflected in this Code or may be inconsistent with any provision of this Code. However, nothing in the Administrative Code shall prevent the County from complying with the terms and conditions of any Grant, Contract, gift or bequest that is otherwise consistent with the law.

Florida Statutes Chapter 125 and Osceola County's charter grant authority to the BOCC to enact the provisions of the Procurement Code. Chapter one of the Administrative Code grants the County Manager responsibility for day-to-day County administration and to carry out the policies of the BOCC. The County Manager or designee has authority to award and execute purchases, contracts, and/or amendments that do not exceed authorized thresholds. The County Manager or designee also has the authority to adopt operational procedures, consistent with the Procurement Code, *Florida Statutes*, and procurement best practices.

The Procurement Code designates the Procurement Services Department as the County's central procurement function and requires the County Manager to approve all operational procurement procedure. The Procurement Code charges the Procurement Services Director with the following responsibilities:

- Supervise the procurement of all goods, services, and construction required by the County.
- Execute and issue purchase orders for goods and services including construction.
- Manage the County's procurement card (P-Card) program.
- Assist the County Manager in the development, implementation and administration of procurement procedures and processes in the best interest of the County and in accordance with the Procurement Code, *Florida Statutes*, best practices, and other applicable laws.

The Procurement Code and purchasing procedures approved by the County Manager provide the foundation and the framework for the County to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements. In general, this goal is accomplished through the County's procurement and solicitation methods, which are outlined in the Procurement Code and approved purchasing procedures. The Procurement Code states: *All Contracts shall be awarded by one of the approved methods of source selection as specified in this Code or in the Florida Statutes. The Procurement Services Office has the authority to determine the Source Selection method provided the Procedures established by the County Manager or Designee are followed.*

The MJ Team reviewed the Procurement Code and related purchasing policies, which are summarized in **Figure 1-17** Coupled with the Procurement Code, the County's procurement policies and procedures are adequate to ensure that the County takes maximum advantage of competitive procurement, volume discounts, and special pricing agreements.



FIGURE 1-17
COMPENDIUM OF OSCEOLA COUNTY PROCUREMENT POLICIES & PROCEDURES

Title	Purpose
<i>County Negotiation Procedures</i>	To standardize and improve the process of negotiations for agreements and requiring standards of participation by Procurement Services. This policy addresses primarily the Consultant's Competitive Negotiation Act (CCNA) type procurements, as set forth in Section 287.055, <i>Florida Statutes</i> governing the acquisition of professional architectural, engineering, landscape architectural or surveying and mapping services.
<i>Purchases through Amazon</i>	To establish a procedure for purchases through Amazon.
<i>Conflict of Interest</i>	To establish guidelines to avoid an actual, potential, or perceived conflict of interest when procuring goods and services for the County.
<i>Cooperative Purchasing</i>	Establishes procedures for the County to participate in, sponsor, conduct or administer a solicitation for the procurement of goods, services, or construction with one or more eligible governmental agencies, in accordance with an agreement entered into between the participants.
<i>Emergency Procurements</i>	Allows emergency procurements as a means of providing for the acquisition of products and/or services where standard procurement procedures would delay the response necessary to mitigate potential threats to public health, safety and/or welfare of the County and its citizens.
<i>Procurement Card Program Procedures</i>	To establish County Manager Procedures for the administration of the Procurement Card (P-Card) Program as authorized by the BOCC in Chapter Three of the Administrative Code.
<i>Purchase Orders</i>	To outline procedures to authorize a vendor to ship goods, perform services, and establish purchase orders as an instrument to facilitate payment for products or services received. Purchase Orders also encumber funds for a specific purpose.
<i>Request for Quotes/ Informal Process</i>	To establish the procedures to be used when it is determined that the use of a Request for Quotes (RFQ) will result in the best value to the County and the value of the commodity or contractual service(s) does not exceed the established formal solicitation threshold.
<i>Request for Proposal/ Professional Services</i>	To establish procedures to be used when the County determines that the Request for Proposals (RFP) solicitation method will result in the best value to the County. The commodity or contractual service will be procured by competitive sealed response wherein price is not the sole determining factor for award. Professional Services for architectural, engineering, landscape architecture, land surveying or planning activity, as defined in <i>Florida Statutes</i> , Section 287.055, will be procured in accordance with statutory requirements as amended.
<i>Sole/Single Source Purchases</i>	To establish procedures and requirements for procuring commodities or contractual services from a sole/single source if the procurement meets the following conditions: 1. Goods or services have unique characteristics essential to the program or intended use for which no other product would be acceptable,



Title	Purpose
	and 2. Goods or services are only available from one source and there are no other alternatives certain requirements as outlined in the procedure.
<i>Public Private Partnerships-Unsolicited Proposals</i>	To establish procedures for the evaluation of proposals received from private entities as precursor to a potential Public-Private Partnership (P3) as defined in Section 255.065 of the <i>Florida Statutes</i> , as amended.
<i>Contract Compliance Program</i>	To standardize and improve the process of monitoring County contracts for compliance and providing a mechanism to ensure that County contractors are performing pursuant to the scope, terms and conditions of the contract, to meet the needs of the County, and to provide the best overall value and results for taxpayers.
<i>County Manager Approval</i>	To provide a uniform and consistent single method of contact with the County Manager relating to County Manager approvals in as much as the County board has delegated limited authority to the County Manager to execute agreements and authorize transactions on the board's behalf. The County Manager approval process is designed to improve efficiency in the award and approval of purchases, agreements, renewals, and contract amendments within established procurement thresholds.
<i>Department Direct-County Manager Approval</i>	To provide a method for departments to seek County Manager approval/award of agreements without competitive solicitation and Procurement Services Division oversight.
<i>Formal Solicitation/ Annual Requirement or Invitation to Bid</i>	To establish the procedures to be used when it is determined that using an Annual Requirement (AR) or Invitation to Bid (ITB) is the best solicitation method to obtain required goods, services, and construction, which meet the established threshold for formal competitive solicitation.
<i>Local Small Business Enterprise Program</i>	To establish program to enhance contracting and procurement opportunities for County small business enterprises, and to encourage participation of local small businesses in the competitive public procurement process.
<i>Proposal Evaluation Committee Procedures</i>	To establish fair and consistent procedures for the evaluation of proposals, qualification statements and responses to Requests for Competitive Sealed Proposals or Qualifications-Based solicitations.

Source: *Osceola County Procurement Policies and Procedures*.

Based on the analysis performed, the MJ Team determined that the County has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements. Accordingly, this subtask is met.



RESEARCH TASK 2

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

FINDING SUMMARY – Overall, Osceola County meets Task 2. When the Transportation & Transit Department was (re)created in 2016, a clear distinction was drawn between its responsibilities and those of other departments, principally Public Works. Staffing levels are reasonable based upon defined workloads, and the County has in place a defined process to justify any increases in staffing levels.

SUMMARY OF CONCLUSIONS ON RESEARCH SUBTASKS

See the Analysis and Results section below for details regarding these conclusions.

SUBTASK 2.1

Our work revealed no issues or concerns related to the 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.

SUBTASK 2.2

Our work revealed no issues or concerns related to the reasonableness of current program staffing levels given the nature of the services provided and program workload.

ANALYSIS RESULTS & CONCLUSION

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.

2016 REORGANIZATION

The County Manager reestablished the Transportation & Transit Department in 2016. According to the County Manager, this was done to place focus on the County's most urgent priority: fixing traffic congestion. A Transportation Department had existed until 2009 and was split apart and housed in three separate departments: Traffic Engineering including maintenance and the sign shop in Public Works; Transportation Planning including Lynx and SunRail contract management in Community Development; and the Osceola Expressway Authority and Osceola Parkway contract management in Economic Development / Strategic Initiatives.

The Transportation Department was reinstituted in order to centralize transportation efforts. This model is in alignment with both the Federal Department of Transportation (USDOT), and Florida Department of Transportation (FDOT). Having transportation staff spread across three department was inefficient, often duplicative in effort (having to send multiple staff to



Metropolitan Planning Organization meetings) and did not bring focus or prominence to advancing the County's need to resolve transportation issues.

With this reorganization, the planning, design, construction management, and pursuit of funding for transportation projects are all housed within Transportation & Transit. Public Works continues to include functions related to maintaining existing infrastructure, such as repaving projects and right-of-way maintenance. Both of these departments will receive funding from the proposed sales tax.

ORGANIZATION STRUCTURE

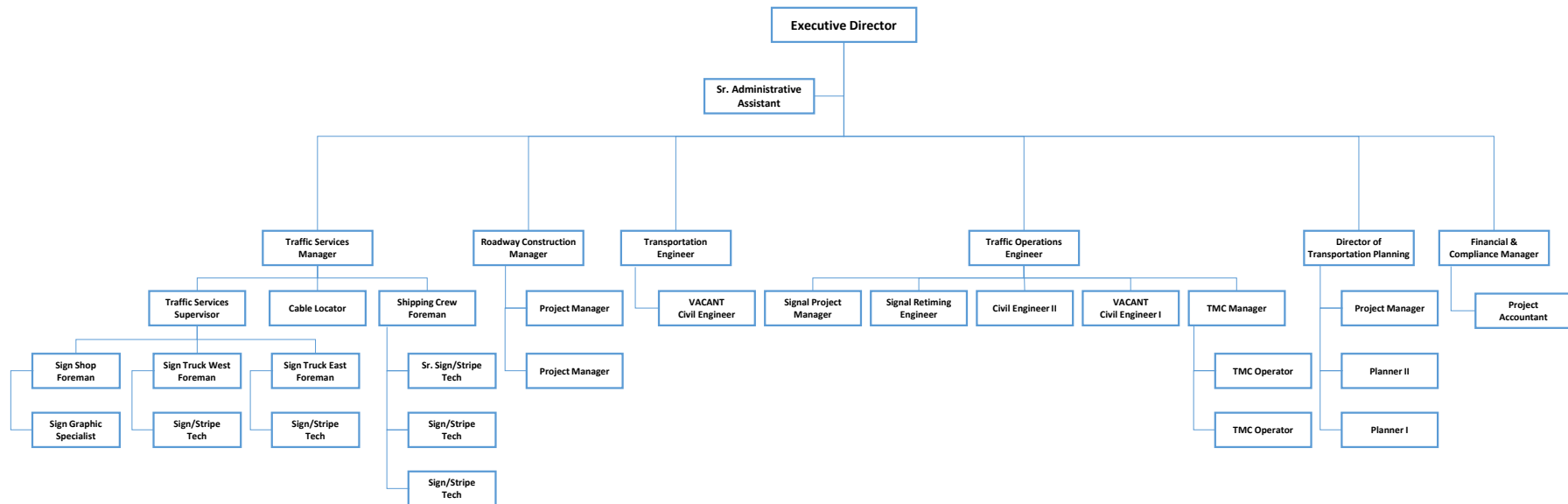
County departments evaluate staffing levels as part of the annual budgeting process. According to Chapter 4 of the Osceola County Administrative Code,

An increase in the number of authorized [full-time equivalent] FTEs may only be approved by the BOCC. This occurs as a part of the budget process. The official number of FTEs is submitted to the Board for their consideration along with the County Manager's proposed Organizational Chart at the Final [Truth In Millage Compliance] TRIM Public Hearing. Within the approved number of FTEs, the County Manager has the authority to assign those FTEs in a manner that is supportive of the County's needs and Strategic Plan. An overall increase, however, is only within the BOCC's authority.



Figure 2-1 presents the organizational structure for Transportation & Transit, which indicates defined units and lines of authority.

FIGURE 2-1
OSCEOLA COUNTY TRANSPORTATION & TRANSIT DEPARTMENT ORGANIZATION CHART

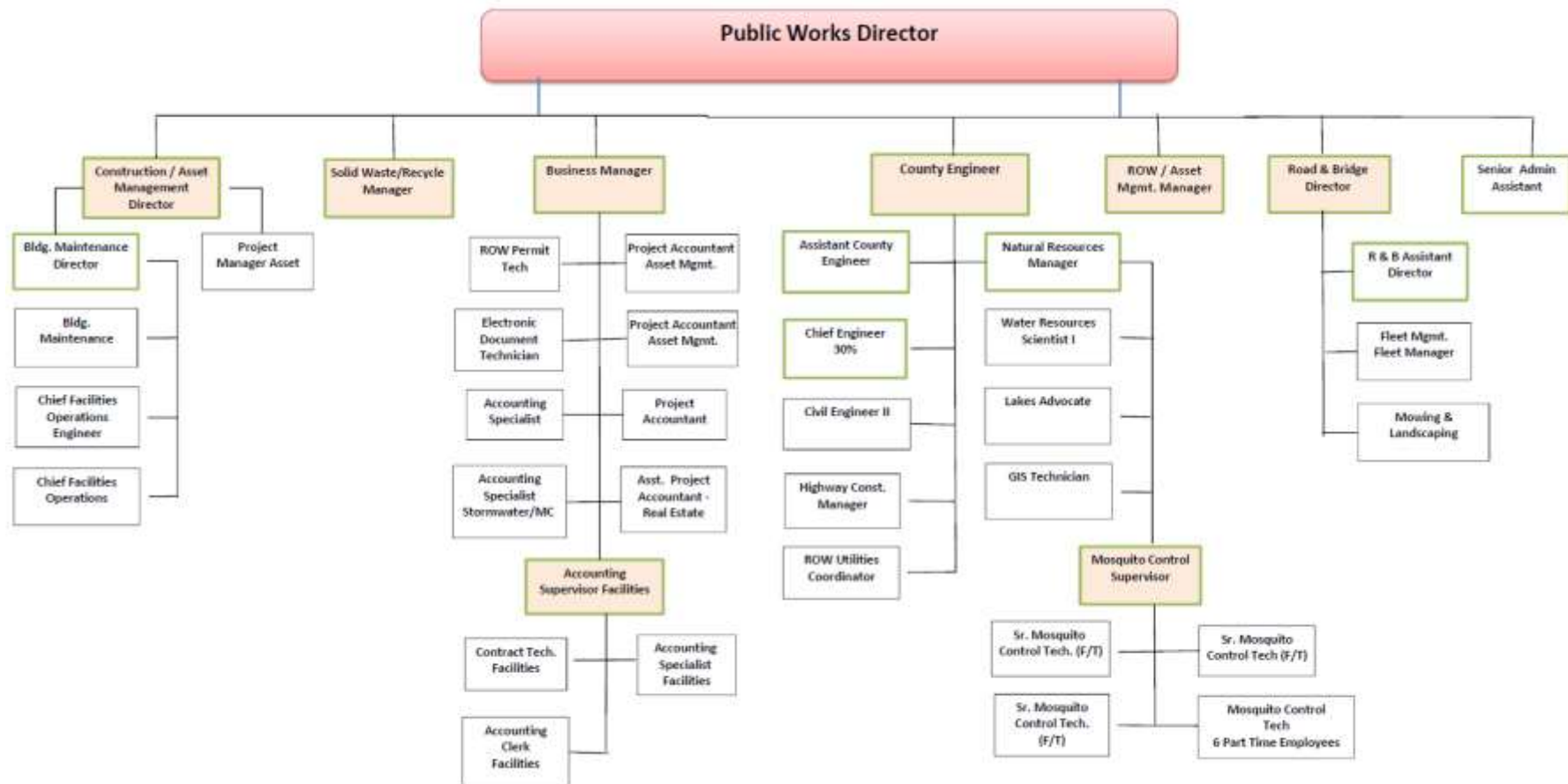


Source: Osceola County Transportation & Transit Department, no date, but provided February 2019.



Figure 2-2 presents the organizational structure for Public Works, which indicates defined units and lines of authority.

FIGURE 2-2
OSCEOLA COUNTY PUBLIC WORKS DEPARTMENT ORGANIZATION CHART



Source: Osceola County Public Works Department, February 18, 2019.



According to a benchmarking study conducted by the Society for Human Resource Management, the average span of control (the number of individuals who report to a manager) for executive management is seven direct reports and for middle management is twelve direct reports. **Figure 2-3** presents the span of control benchmarking results. The span of control for both the Transportation & Transit and Public Works Directors fall within this range. The Transportation & Transit Department has seven (7) direct reports and the Public Works Department also has seven (7) direct reports. The Society for Human Resource Management (SHRM) span of control standard for direct reports is eight (8) or less.

FIGURE 2-3
SPAN OF CONTROL DATA – NATIONAL BENCHMARKS

	25 th Percentile	Median	75 th Percentile	Average
Management Level	Number of Direct Reports			
Executive Level	4	5	8	7
Middle Management	5	8	14	12

Source: Society for Human Resource Management, *Human Capital Benchmarking Report*, December 2017.

PRIMARY FUNCTIONS OF DIVISIONS

In addition to reviewing the department's organizational structure, we obtained a summary of the qualifications, primary functions, and tenure of the two director positions as presented in **Figure 2-4**.

FIGURE 2-4
OSCEOLA COUNTY LEADERSHIP TEAM – FUNCTIONS AND QUALIFICATION

Position/Division	Primary Functions of Department's Leaders
<i>Executive Director, Transportation & Transit</i>	The purpose of the position is to administer responsible professional, technical, managerial, and administrative work for the County's Transportation Department, coordinate with other local, regional, and national transportation partners for the purpose of advancing Osceola County's long range transportation plan within the region. Administers all Transportation divisions and areas: Traffic Engineering, Advance Traffic Management System, Transportation Planning, Metro Plan, Sun Rail, Osceola County Central Florida Express Authority, Bus Rapid Transit project lead, and Liaison to Lynx.
<i>Director, Public Works Department</i>	The purpose of the position is to administer responsible professional, technical, managerial, and administrative work for the County's Public Works Department. Administers all Public Works divisions: Public Works Administration, Engineering, Stormwater Management/Permitting, and Asset Management, including building construction and maintenance, Fleet Maintenance, Road & Bridge, Mosquito Control and Solid Waste.

Source: *Osceola County Class Specifications for the Transportation & Transit Director*, November 2016 and *Public Works Director*, January 2018.



Based on the review of the organization charts and span of control compared with the SHRM benchmark, there were no issues or concerns regarding the design of the organizational structure. The job descriptions of the two (2) department heads and the positions reporting to each demonstrate that the program has clearly defined units, minimizes overlapping functions and excessive administrative layers, and has lines of authority that minimize administrative costs. Accordingly, this subtask is met.

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

To address the requirements of this subtask, the MJ Team reviewed the transportation staffing trends from the Comprehensive Annual Financial Report (CAFR). The CAFR reports the number of FTE by function/program rather than on a departmental basis.

STAFFING LEVEL TREND

The staffing trend for transportation-related staff has been relatively stable, with modest increases.

Figure 2-7 presents a summary of the staffing level for all “transportation-related” positions regardless of department for the past three (3) fiscal years.

FIGURE 2-7

OSCEOLA COUNTY TRANSPORTATION FUNCTION EMPLOYEES – FULL-TIME EQUIVALENT POSITIONS

Year	FTE Positions
Fiscal Year 2015	199
Fiscal Year 2016	205
Fiscal Year 2017	206

Source: Osceola County FY 2017 CAFR.

The one (1) additional FTE in FY2017 was the addition of the Executive Director for the reestablished Transportation & Transit Department. The CAFR for FY2018 was not available at the time of the onsite visit.. However, based upon position requests that were approved, a Traffic Signal Timing Engineer position was approved for FY2018, increasing the FTE count to 207.

VACANCY RATES

The Transportation & Transit and Public Works Departments do not appear to have a vacancy problem. In Transportation & Transit, of the 34 positions shown on the organization chart, only three (3) positions (9 percent) are shown as being vacant. In Public Works, of the 48 positions shown in the organization chart, three (3) positions (6 percent) are vacant. None of the vacancies were in the Road & Bridge Division; they are all located in divisions that would not be



funded by the new sales tax. This vacancy rate is an improvement from what was shown in the January 22nd organization chart when there were five vacancies in Public Works.

The Transportation & Transit Department reported that “since the work program of the Department is fluid each year in regards to planning, design, or construction projects, the Department utilizes a combination of County and consultant staff to accomplish the work load. Based on the current favorable economic conditions within the County and the State, it is difficult to attract talent to a County salary and that is another reason why consultants are utilized to fill vacant positions.”

The County did report that a few lower level positions have been difficult to fill in recent years. In 2018, the County had to repost a position for a Sign Graphic Specialist. This position was posted three times due to a lack of qualified applicants. So far in 2019, the position of Sign/Striping Technician has been posted twice.

Based on the review of the staffing levels, there were no issues or concerns regarding the level of staff relative to the program workload. Vacancy rates were reasonable, but need to be monitored to ensure the County stays competitive with the prevailing wage rates. Accordingly, this subtask is met.



RESEARCH TASK 3

ALTERNATIVE METHODS OF PROVIDING SERVICES OR PRODUCTS.

FINDING SUMMARY – Overall, Osceola County meets Task 3. The County has contracted out several functions and programs and periodically evaluates the performance of these programs to determine if they are performing to expectations. In some cases, programs have been brought back in-house when the evaluation indicates that County staff can perform the functions at a lower cost or higher quality. Similarly, the County has adjusted some programs to modify the procurement method or program if the results can be improved. The County holds regular discussions with peer agencies to identify potential structural or procurement practices that can improve the delivery of services and programs.

SUMMARY OF CONCLUSIONS ON RESEARCH SUBTASKS

See the Analysis and Results section below for details regarding these conclusions.

SUBTASK 3.1

Our work revealed no issues or concerns related to whether program administrators formally evaluated in-house services and activities to assess the feasibility of providing these services using outside contractors.

SUBTASK 3.2

Our work revealed no issues or concerns related to whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved.

SUBTASK 3.3

Our work revealed no issues or concerns related to 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.

SUBTASK 3.4

Our work revealed no issues or concerns related to whether program administrators have reviewed peer entities approaches for identifying opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services.



ANALYSIS RESULTS & CONCLUSION

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.

Transportation & Transit is currently evaluating whether or not the program management for the projects that would be accomplished by the sales tax proceeds would be performed by additional County staff or consultants. According to meeting notes supplied by the Transportation & Transit Executive Director, department management met with Central Florida Expressway (CFX) staff to learn how CFX manages their \$1.9 billion five-year work program. This meeting occurred on January 16, 2019. CFX hires a General Engineering Consultant (GEC) to manage the capital projects and a Construction Management Consultant (CMC). CFX pays 12 to 15 percent for the GEC. This approach allows CFX to manage the workload with only three in-house staff in their engineering department. The GEC and CMC are more flexible in adding or reducing staff than CFX would be if their own personnel were used.

Since this meeting occurred, no decisions have been reached on the most appropriate approach for Osceola County. Should the County decide to procure the services of a GEC and/or CMC, the County has adopted Proposal Evaluation Committee Procedures pursuant to Chs. 119,125,286 and 287, *Florida Statutes* and Osceola County Administrative Code, Chapter 3. Under these procedures, the County Manager appoints an Evaluation Committee to evaluate proposals based upon the criteria set forth in the solicitation document. For solicitations with an estimated value in excess of \$500,000, the Department Director should be a member of the Evaluation Committee; when the value is in excess of \$1 million, the Deputy County Manager should also be on the committee.

Responsibilities of the Evaluation Committee are to review the proposals that have been deemed responsive by Procurement Services. The review is conducted using an evaluation form based upon the criteria and rating factors specified in the solicitation. For solicitations using the Request for Proposal (RFP) approach, the Evaluation Committee may make a selection based solely on the submitted proposals or may invite a short list of firms to make a presentation. Cost evaluation is conducted separately by Procurement Services with the firms' scores determined by a mathematical formula that was detailed in the solicitation documents. The EC may make a final selection of the top rated firm to present to the Board of County Commissioners (BOCC) or may present a short list of firms for presentation to the BOCC. In either case, the BOCC makes the final determination of the winning firm.

For procurements using the Consultant Competitive Negotiation Act (CCNA), which applies to architectural, engineering, landscape architectural, or surveying services, a similar process applies except that price is not a factor – selection is based solely on qualifications. This approach mirrors the federal Brooks Act, which governs similar procurements using federal money. For CCNA's with a value under \$1 million per year, the EC makes a recommendation to



the BOCC to begin price negotiations with the highest ranked firm. For CCNA's with a value in excess of \$1 million per year, the Evaluation Committee presents the BOCC with the short list of firms and the evaluation forms. The BOCC may then request a presentation from the short listed firms, or select the highest ranked firm without further presentation. Once the highest ranked firm has been selected, the County Manager is authorized to begin negotiations on price. Following the conclusion of these negotiations, the negotiated contract will be brought to the BOCC for final approval and authorization for the County Manager to execute the contract.

The Transportation & Transit Department has entered into discussions with CFX regarding alternate ways to provide for new services and programs that may be possible if the referendum passes. Additionally, the Transportation & Transit Department demonstrated that it has outsourced/privatized other past programs. Accordingly, this subtask is met.

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.

County staff provided evaluations of three services/programs that are currently performed by contractors. The evaluations assessed the costs of the contract operation versus using in-house staff for this function. Each is discussed below.

MOWING SERVICES

In preparation for the FY2020 budget cycle, the Mowing Services Manager in January 2019 conducted a spreadsheet analysis of the costs of the mowing contract versus hiring a new employee to perform these tasks. The spreadsheet detailing the costs of the two options is presented in **Figure 3-1**.

FIGURE 3-1

MOWING AND LANDSCAPING SERVICES COST COMPARISON – CONTRACTOR VS. IN-HOUSE

Single FTE Serviceable Locations	Contract Cost	Cycles	Annual Contract Cost		In-house Cost	In-house Cost Description
Marydia CC	\$175.00	37	\$6,475.00		Pay grade 9	
Scottys Cove Park	\$350.00	22	\$7,700.00		\$15.11 / Hour	
1900 Boggy Creek Rd	\$50.00	22	\$1,100.00		\$52,510.34	Annual Salary With Benefits
3287 Boggy Ter	\$75.00	22	\$1,650.00		\$25,000.00	Truck
3290 Boggy Ter	\$75.00	22	\$1,650.00		\$3,500.00	Trailer
1170 Tropez Ct	\$100.00	12	\$1,200.00		\$17,500.00	Mower
2501 Donegan Ave	\$75.00	12	\$900.00		\$1,500.00	Hand Equipment
1300 N. Central Blvd	\$25.00	12	\$300.00		\$100,010.34	Total Cost at Startup
Garden St	\$100.00	12	\$1,200.00			
Total Annual Contracted Cost			\$22,175.00			

Source: Osceola County Public Works Analysis, January 2019.

The analysis assumed one new employee would need to be hired and furnished with suitable equipment, compared with continuing with the existing contract. The existing contract costs \$22,175 at the listed locations, while a new employee would cost \$52,510.34 including benefit



costs. The annualized savings from using a contractor is \$30,335. Additionally, the new employee would incur \$47,500 in one-time start-up costs to provide suitable equipment. Based upon this initial analysis, Public Works did not go through the more rigorous analysis required to justify bringing on a new employee.

It is worth mentioning here that the mowing contractor was hired through the RFP process discussed in Subtask 3.1. This process was a change from the previous Invitation to Bid (ITB) process used previously. The reason for this change is discussed in Subtask 3.3.

DRILLED SHAFT INSPECTIONS

Transportation & Transit currently uses a third party contractor to conduct inspections of drilled shafts. Drilled shafts are used for the installation of traffic signals, with each intersection requiring a couple of drilled shafts. The County installs three (3) to four (4) traffic signals per year. The contract with the third party engineering firm is for \$88,110, which represents the cost for roughly 11 drilled shafts.

Transportation & Transit evaluated this situation in December 2018 and determined that existing County employees could be used for this inspection if they were properly trained and certified. The cost for the training course is \$695. Transportation & Transit decided to send two employees to the training course in March 2019 for a total cost of \$1,390, which can be covered within the existing Transportation & Transit budget.

Requirements to complete the certification are:

- Pass Drilled Shaft Written exam.
- Pass Drilled Shaft Proficiency exam.
- Obtain on-site experience in which at least designated staff has directly observed, inspected, and recorded the full installation of at least ten (10) shafts under the supervision of a Construction Training Qualification Program (CTQP)-qualified Drilled Shaft Inspector (DSI).
- At least five (5) of the drilled shafts inspected shall be on shafts constructed using the wet method. The CTQP-qualified DSI shall include a note in the first page of the Drilled Shaft Excavation log as evidence for the required experience, indicating the name of the trainee and stating the trainee has inspected the full installation of the shaft.
- Trainees must confirm work experience when taking the CTQP Drilled Shaft Inspector Exam or report work experience through the CTQP website (IA Re-qualification Program).

The two (2) County employees undergoing this training already need to be on-site, so no additional hourly wage cost will be incurred to use the existing employees for this new function. The decision to train existing personnel will save the County approximately \$88,000 annually and provide greater flexibility to the County because Transportation & Transit will not have to wait on the schedule of the third party inspection crew to inspect the drilled shafts. The full cost savings of this training will not be realized until after the County employees are trained



due to the requirement that they must observe and inspect ten (10) drilled shafts under the supervision of a DSI. At the current rate of signal installation, this requirement will be met in about a year. After that time, a third-party DSI will no longer be required.

TRAFFIC SIGNAL MAINTENANCE

The City of Kissimmee currently maintains the traffic signals for Osceola County. In December 2018, the County approached Kissimmee about taking over the signal maintenance since the number of signals in the County, over 225, exceeds the number of signals within the city of Kissimmee, over 90. Kissimmee agreed and discussions are underway to transition to County maintenance.

The County conducted a cost estimate of the differences between the current operation and using new County employees for the signal maintenance. Costs to the County for taking over this function including hiring below the Traffic Operations Director a new Signal Supervisor, two foremen, and four technicians. In addition to the seven new positions, there is an annual cost for materials and a cost for the new equipment, annualized over a seven-year life. Offsetting this cost will be revenue that the County would now receive from the four jurisdictions (Kissimmee, City of St. Cloud, FDOT, and CFX) to maintain their signals. **Figure 3-2** shows this comparison.

FIGURE 3-2

TRAFFIC SIGNAL MAINTENANCE COST COMPARISON – KISSIMMEE VS. IN-HOUSE

Osceola County's Cost	Amount	Revenue from Other Jurisdictions	Amount	Notes
Staffing (7 positions)	\$390,438	Kissimmee	\$202,047	48 signals & 45 flashers
Equipment (annualized)	\$95,000	St. Cloud	\$42,441	11 signals & 10 flashers
Materials	\$50,000	FDOT	\$226,668	
TOTAL COST	\$535,438	CFX	\$21,979	8 signals
		TOTAL REVENUE	\$493,134	
		Less cost	\$535,438	
		NET COUNTY COST	\$42,304	
		FY2019 Budgeted Cost	\$221,202	
		NET ESTIMATED ANNUAL SAVINGS	\$178,898	

Source: Osceola County Transportation & Transit Analysis, January 2019.

Discussions between the County and the City of Kissimmee are ongoing and are aimed at working out the logistics of the transfer. Once an agreement has been developed, it will go before the BOCC for approval, with the intent that the County will assume this responsibility in October 2019.



The three (3) examples above illustrate how both the Transportation & Transit and Public Works Departments regularly review the programs that have been contracted out to determine if the practices should continue. In one example, mowing services, the conclusion was that the privatized operation was more cost effective than using County staff. In two examples, the drilled shaft inspections and traffic signal maintenance, the evaluation showed that County staff could perform the work in a more cost-effective manner. Accordingly, the regular review of the effectiveness and cost-savings demonstrates that this subtask is met.

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.

County staff provided two examples where the delivery method was changed to provide higher quality programs at lower cost to the County. The first example was a change in the procurement method used to solicit mowing services. The second example was a change in how widened bridges were provided associated with the Florida Turnpike.

MOWING SERVICES PROCUREMENT

Public Works' Mowing & Landscaping Services Division uses contracted services for mowing and landscaping services as needed for infrastructure to include road right-of-ways, accessible retention ponds, and various County buildings. Mowing and Landscaping Services contracts were historically solicited as an Invitation to Bid (ITB), evaluated and awarded primarily based on pricing leading to an Annual Requirement Contract. Because of concerns over contractor performance, the solicitation method was changed to a Request for Proposal (RFP) approach.

According to Chapter 3 of the Osceola County Administrative Code, the difference between the ITB and RFP solicitations are:

Invitation to Bid (ITB) – Solicitation documents, written or electronic, whether attached or incorporated by reference, which are used for Competitive Sealed Bidding for the Procurement of Goods, Services and/or Construction. The Invitation to Bid is used when the County is capable of clearly defining the scope of work for which a contractual Service or precise Specification defining actual commodities that are being procured

Request for Proposals/Competitive Proposal Solicitation (RFP) – A Solicitation method used to solicit proposals from potential providers of Goods, Services, and Construction. Price is not the only determining factor in an RFP and an award of a Contract may be accomplished in a single step or multi-step process.

In the continuous effort to provide efficient and effective service and through ongoing evaluation of processes, Public Works determined that the ITB approach led to inadequate service with many contractors unable to meet or complete the terms of their contract. The RFP process of solicitations has been adopted over the past six (6) years, which allows for a more thorough evaluation of solicitation proposals where factors other than cost may be considered.



This practice has resulted in more effective level of service for the County and its residents and much less contractor turn over for mowing and landscaping services.

As an example, the maintenance contract for mowing and landscaping services following the improvements/widening of Old Canoe Creek Road went into effect in June 2008 with the then standard ITB/AR type solicitation. From June 2008 through February 2014, four contractors were unable to meet the terms of their contracts. Since implementing the RFP process for Old Canoe Creek Road Mowing and Landscaping in 2014, zero contractors have been terminated for poor performance.

TURNPIKE BRIDGE WIDENING

The Transportation & Transit and Public Works Departments worked with FDOT – Florida’s Turnpike Enterprise to enter into a Memorandum of Understanding (MOU) in 2018 for the widening of several bridges that cross over the Turnpike. Currently, Florida’s Turnpike is in the design process to widen the Turnpike through Osceola County. With this widening, several bridges on Osceola County roads over the Turnpike would need to be widened to accommodate the additional lanes for the Turnpike as well as accommodate the future widening of County roadways. The Turnpike was not obligated to widen the bridges along the County roadways, only to replace in kind.

Staff worked with the Turnpike to get the Osceola County roadway bridges widened at no capital expense to the County. The new bridges included general purpose travel lanes, bike lanes, sidewalks, and in some cases, multiuse trails. In return, the new bridges would become the ownership of the County for future maintenance costs. These capital costs were at no expense to the County.

Changes in the way mowing services are procured and how bridge widening is funded and constructed demonstrate that the County reviews and is willing to make changes to service and project delivery methods when in the best interest of the citizens. Accordingly, this subtask is met.

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.).

PAVEMENT MANAGEMENT PRACTICES

Public Works staff are members of various professional organizations and attend various seminars and training opportunities during the year. The information gathered in the training has been applied to the development and refinement of the Roadway Matrix used to prioritize roadway resurfacing projects. The previous road prioritization was primarily based on the Pavement Condition Index (PCI). The Public Works Director provided the following timeline regarding how the development of the resurfacing priority list has evolved over time.



Prior to 2014, pavement conditions were determined by physical inspection of the roadways, complaints received, and general knowledge of the area. The Resurfacing List was developed based on those findings.

In 2014, Road & Bridge and engineering staff attended training provided by the National Center for Pavement Preservation which led to meetings with Polk County staff and Orange County staff to discuss pavement management issues and MicroPaver (automated PCI development software). These discussions led to the eventual hiring of a private contractor in 2015-2016 to assist in the development of a Network Pavement Management System. The Pavement Management System was based on MicroPaver generated PCI ratings, and was used to prioritize the resurfacing list in 2016 and 2017.

During 2017, discussions were held with the leadership of Osceola County about concerns related to prioritizing the Resurfacing List based primarily on the PCI and whether or not this resulted in providing the highest benefit to the traveling public. The Resurfacing project was put on hold until a better management tool could be developed.

In 2017, Public Works staff, in an effort to identify pavement management criteria that made the best use of funds available for road resurfacing researched various pavement management programs such as the system which was being developed in Polk County. The current Road & Bridge Resurfacing/Rehabilitation Program Criteria and Matrix was developed. The new Matrix takes into consideration not only the PCI index but includes community impacts (routes to hospitals, emergency services, and businesses), road types (major roads, minor roads, local roads) and maintenance history. By including these criteria the benefit of the improvements can be realized by a larger segment of the traveling public. The new Road & Bridge Resurfacing/Rehabilitation Program Criteria was used to prioritize the FY2018 Resurfacing List. The resurfacing program was included in the FY2018 budget write up and approved as part of the budget process.

ELECTRONIC TOLLING

Another example is the County-owned toll road, Osceola Parkway. This toll road was built about 30 years ago. In assessing the roadway Transportation & Transit found that a traffic and revenue analysis was last done in 2014. Transportation & Transit hired a private consultant to conduct a traffic and revenue analysis to determine the financial picture for the parkway. This assessment determined that the roadway has high rate of violations at the Poinciana ramps due to the fact that the parkway does not have a fiber optic backbone to install cameras.

Transportation & Transit discussed with CFX, as a peer agency, to determine if it was feasible to go all electronic tolling rather than accepting coins at these ramps. CFX's state of practice is when the ramps hit a certain percentage of customers utilizing transponders; the agency goes with all electronic tolling. Based on the discussion with CFX and discussions with staff regarding enforcement, the County placed \$4.4 million in the Osceola Parkway budget for installing fiber along Osceola Parkway. The County hired a design consultant to design the fiber, install



cameras along the roadway, and install all electronic tolls at the Poinciana ramps. The design will be completed in the next few months and the construction will be let in July 2019.

In addition, Transportation & Transit assessed if all electronic tolls should be placed on the mainline ramps instead of having toll booth operators. That decision is still being evaluated and will be considered as a phase 2 project. By installing the fiber and the cameras, the County will be able to reduce the violations since we will have the ability to enforce the tolls. Secondly, by going all electronic, the County can reduce the labor and operations cost by not having to empty the coin bins which is labor and maintenance of the system due to the age.

The changes the County made in how it prioritizes street resurfacing/maintenance projects and changes to how tolls are collected on the Osceola Parkway were based upon discussions with and evaluation of the approaches used by peer agencies. The County provided two (2) examples of changes that were implemented to improve the quality of services at a reduced cost and/or improved productivity. Accordingly, this subtask is met.



RESEARCH TASK 4

GOALS, OBJECTIVES, AND PERFORMANCE MEASURES USED BY THE PROGRAM TO MONITOR AND REPORT PROGRAM ACCOMPLISHMENTS.

FINDING SUMMARY – Overall, Osceola County partially meets Task 4. Program goals and objectives align with the County’s strategic plan and are generally clearly stated, measurable, and can be achieved within budget. The program lacks a comprehensive report of performance measures. Internal controls provide reasonable assurance that program goals and objectives will be met.

SUMMARY OF CONCLUSIONS ON RESEARCH SUBTASKS

See the Analysis and Results section below for details regarding these conclusions.

SUBTASK 4.1

Our work revealed no issues or concerns related to if program goals and objectives are clearly stated, measurable, can be achieved within budget, and are consistent with the county's strategic plan.

SUBTASK 4.2

Condition: Subtask 4.2 Not Met

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.

The program lacks a comprehensive report of performance measures. Performance measures include inputs (resources used), outputs (program activities), efficiency measures (ratio of inputs to outputs), and outcomes (the actual results of programs and services).

Cause: Performance measures have not been identified.

Effect: The lack of monitoring and reporting the results of performance measures other than costs, may not indicate if processes are timely and efficient.

Criteria: Performance measures are a best practice emphasizing regularly collecting a limited set of data to determine where objectives are met or improvements can be made.

RECOMMENDATION 4.2

Assign staff to identify additional performance measures and establish processes to obtain the data required and periodically report the results.



SUBTASK 4.3

Our work revealed no issues or concerns related to evaluating internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.

ANALYSIS RESULTS & CONCLUSION

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.

To address the requirements of this subtask, the MJ Team reviewed the goals and objectives in the goals and objectives in the County's Strategic and Fiscal Year 2019 Adopted Budget. Each year departments submit their accomplishments for the prior year as well as their goals for the upcoming year which are tied to the County's Strategic Plan. Their goals and accomplishments are included each year as a part of the County's Adopted Budget Book. Thus, the MJ Team reviewed the department and strategic objectives for the applicable Transportation & Transit and Public Works Departments to determine whether they are clearly stated, measurable, can be achieved within budget, and are consistent with the County's Strategic Plan.

Figure 4-1 presents the County vision, mission, goals and objectives.

FIGURE 4-1

OSCEOLA COUNTY VISION, GOALS & ACTION PLANS PER STRATEGIC PLAN AND BUDGET

OSCEOLA COUNTY MISSION <i>To provide quality service to the residents of and visitors to Osceola County which is second to none.</i> <i>Our services will be maintained by strict adherence to the principles of</i> HONESTY, RESPECT, COMMITMENT, TEAM WORK, EDUCATION, AND EFFICIENCY.			
STRATEGIC PLAN GOALS AND OBJECTIVES			
GOAL 1: Grow & Diversify the County's Economy	GOAL 2: Upgrade the County's Infrastructure and Transportation Network	GOAL 3: Create Great Neighborhoods for the Future	GOAL 4: Ensure Cost-Effective and High-Performing County Government
Increase the number of small businesses starting and growing in the County; Expand medical and health science businesses; Increase median income to become a leader in Central Florida region; and Brand the County as the place to have your business in Central Florida.	Upgrade County roads: capacity and maintenance; Reduce travel times in the County: Point A to B; and Increase the ridership and convenience of public transit.	Maintain a safe County where residents and guests feel safe and secure; Revitalize major highway corridors: beautification, business vitality; and Upgrade/expand education choices (private and public) at all levels.	Diversify the revenue sources for County government; Maintain a quality, highly motivated workforce dedicated to serving Osceola County; and Have adequate resources to support defined County services and service levels.



OSCEOLA COUNTY MISSION

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HONESTY, RESPECT, COMMITMENT, TEAM WORK, EDUCATION, AND EFFICIENCY.*

EIGHT KEY FY 2018 ACTION PLANS

ITEM #1: Development of NeoCity	ITEM #2: Transportation Improvements	ITEM #3: Affordable Rental Housing & Transition of Homeless	ITEM #6: Employee Pay Adjustments
ITEM #8: Sustainability Plan (Housing to Jobs / Live-to-Work Policy)	ITEM #4: Stormwater & Lakes Systems Improvements	ITEM #5: Healthcare for Citizens	ITEM #7: Joint Meetings with other Governmental Agencies

Source: Osceola County's Fiscal Year 2019 Adopted Budget.

Osceola County's Fiscal Year 2019 Adopted Budget includes the departmental and strategic objectives as follows.

1. PUBLIC WORKS – CONSTRUCTION MANAGEMENT (FUND 001 – GENERAL FUND)

Departmental Objective:

Construction Management strives to plan, design, and construct facilities that support Osceola County's operational objectives through a collaborative effort with all departments that occupy, maintain, and support systems in County facilities.

Strategic Objectives:

STRATEGIC OBJECTIVE #1:

NeoCity Construction Projects Manage the design and construction of the NeoCity projects.

- Create a world class development that will attract national & international partners and high paying jobs.
- Provide the best value for capital funds invested.
- Ensure NeoCity project schedules and commitments continue to be met.
- A master plan and schedule are now being created.

STRATEGIC OBJECTIVE #2:

Master planning of Future Fire Stations

Develop masterplans, budgets, and schedule for the design and construction of additional Fire Stations in growing areas of the County.

- Finalize design requirements for individual sites.
- Determine budget requirements and costs to accurately forecast projected costs.

STRATEGIC OBJECTIVE #3:

Project Management System

Utilize standardized project budgets to track historical costs.

- Utilize historical costs to predict accurately future project costs.
- Carry forward lessons learned to future projects.



2. PUBLIC WORKS – ENGINEERING – FUND 102 (TRANSPORTATION TRUST FUND/FUND 306-LOCAL OPTION SALES TAX)

Departmental Objective:

Provide a comprehensive program to maintain all County roads and bridges.

Strategic Objectives:

STRATEGIC PLAN GOAL #2:

Upgrade the County's Infrastructure and Transportation Network

3. PUBLIC WORKS – ADMINISTRATION – FUND 102 (TRANSPORTATION TRUST FUND)

Departmental Objective:

Design, construct, and maintain safe, effective, and efficient infrastructure assets to improve the quality of life and contribute to the economic development of the County. This is done under the guiding principle of careful stewardship of County resources. We ensure capital projects are completed in a high-quality, cost effective, and timely manner by working with all relevant County Departments and Constitutional Officers to ensure appropriate project budgeting, reporting, and documentation.

Strategic Objectives:

STRATEGIC OBJECTIVES 1, 2, AND 3:

Strategic Plan Action Item #1 – *Development of NeoCity*

- Continue excavating the pond and filling the site in preparation for future development.
- Start construction of NeoCity Way and Ethos Park Way.
- Start construction on the Toho Water Authority utilities.
- Modify the Osceola Heritage Park permit to eliminate the pond since the drainage will be conveyed to NeoCity.
- Modify the Neptune Road permit to eliminate the pond that will be superseded by the NEOCITY pond.
- Determine location and size of utilities (water, sewer, and electric) for NeoCity and move forward with design, permitting, and construction.

4. PUBLIC WORKS – ROAD & BRIDGE – FUND 102 (TRANSPORTATION TRUST FUND)

Departmental Objective:

The Road & Bridge Department utilizes 103 full time employees to provide maintenance services for County-owned roads, rights of way, and drainage systems in the unincorporated areas of Osceola County. This includes approximately 2,049 lane miles of paved roadways, 74 miles of County accepted unpaved roadways, 1,600 miles of open roadside drainage systems, 300 miles of enclosed roadside drainage systems and 70 miles of outfall storm water drainage systems.

Strategic Objectives:

STRATEGIC OBJECTIVE #1:

Dirt Road Stabilization (Upgrade Infrastructure)

- A sum of \$750,000 has been approved in Fiscal Year 2019 budget for stabilization and chip seal surface treatment for approximately 10 miles of unpaved roadways.



STRATEGIC OBJECTIVE #2:

Resurface/Micro Surface paved roadways (Upgrade Infrastructure)

- A sum of \$9M has been approved in Fiscal Year 2019 budget to Resurface/Micro Surface approximately 120 lane miles of paved roadways in accordance with FDOT standards. The Road & Bridge Resurfacing Supervisor and Road & Bridge Director will manage this project.

STRATEGIC OBJECTIVE #3:

Maintain Paved Roadway Infrastructure (Cost – Effective High – Performing Government)

- Utilize cold and hot asphalt repair methods to maintain approximately 2,049 lanes miles of paved roadway infrastructure.

STRATEGIC OBJECTIVE #4

Maintain storm water Infrastructure (Cost – Effective High – Performing Government)

- Clean, versa ditch and maintain approximately 50 miles of roadside and 10 miles of outfall storm water ditch infrastructure annually.

5. PUBLIC WORKS – STORMWATER – FUND 102 (TRANSPORTATION TRUST FUND)

Departmental Objective:

Provide a comprehensive stormwater management program to maintain a functional drainage network and protect water quality while minimizing current and future public impacts.

Strategic Objectives:**STRATEGIC OBJECTIVE #1:**

Strategic Plan Action Item #4 – *Storm Water Plan (Upgrade Infrastructure)*

- Complete construction on Seven Dwarfs Lane and Princess Way Stormwater Improvements.
- Complete design and permitting for Kempfer Road Culvert Upgrades.
- Continue to provide information as requested for Hazard Mitigation Grants for Buena Ventura Boulevard Drainage Improvements, Shingle Creek Improvements, and Fanny Bass Slough Improvements.

STRATEGIC OBJECTIVE #2:

Strategic Plan Goal #2 – *Preserve and maintain the County's natural resources – lakes, streams, wetlands, open spaces*

- Coordinate with Federal, State and Local Agencies and locally guide the Basin Management Action Plan (BMAP), Total Maximum Daily Load (TMDL), and Numeric Nutrient Criteria (NNC) processes and outcomes utilizing all data, tools, local knowledge and partnerships.
 - Utilize the paleolimnological studies to open discussion with the Florida Department of Environmental Protection on the historic nutrient contents of Lakes Tohopekaliga, Cypress and Kissimmee in order to set appropriate restoration targets.
 - Implement required nutrient reduction projects such as the Lake Toho Restoration Initiative.
 - Continue water quality monitoring at outfalls for compliance assessment and pollutant source identification.
 - Utilize the 2017 Lake Okeechobee Basin Management Action Plan (LOBMAP) model results to determine nutrient “hot spots” and begin conceptual planning for nutrient reduction projects.
 - Partner with federal and state agencies to maximize funding opportunities for restoration efforts.
 - Review and comment on current Impaired Water Rule (IWR).
-



STRATEGIC OBJECTIVE #3:

Prioritize Storm Water CIP list

- Identify funding partnerships

**6. TRANSPORTATION & TRANSIT – TRAFFIC ENGINEERING – FUND 102
(TRANSPORTATION TRUST FUND)**

Departmental Objective:

Provide guidance and oversight for all consultants and County departments for Transportation & Transit projects serving the County.

Strategic Objectives:

STRATEGIC OBJECTIVE #1:

Strategic Plan Action Item #2 – *Hoagland Boulevard Phase 2 and Phase 2*

- Manage and complete construction activities by mid-2020 for Phase 3 and by mid-2021 by Phase 2.
- Construction will begin on October 15 on the \$10.7 million Hoagland Boulevard Phase 3 project, which consists of building a four-lane divided roadway with 6-foot to 7-foot wide bike lanes on each side, a 5-foot wide sidewalk on one side; a 6-foot to 8-foot wide sidewalk on the other side, and improvements to the Shingle Creek Bridge.
- Hoagland Boulevard Phase 2 was advertised for construction in October 2018. The \$27.5 million project will realign Hoagland Boulevard from north of the Shingle Creek Bridge to the existing four-lane section at 5th Street. This includes a four-lane divided roadway, 6-foot wide bike lanes, a 6-foot wide sidewalk along the east side of the roadway, and an 8-foot to 10-foot wide path along the west side of Hoagland Boulevard. The project also includes a new bridge spanning the SunRail railroad tracks.

STRATEGIC OBJECTIVE #2:

Widening Carroll Street from John Young Parkway to Michigan Street

- Complete design plans to 60 percent status.
- Complete final plans for interim improvements to the intersection of US 441 and Carroll Street, along with necessary drainage improvements.
- Complete bid package, advertise and advance interim improvement Project to construction.

STRATEGIC OBJECTIVE #3:

- Reviewing plans to 100 percent completion and advancing into construction 20 traffic signals throughout the County.

STRATEGIC OBJECTIVE #4:

Strategic Plan Action Item Goal #2 – Shady Lane

- Monitor construction of extension and widening from Neptune Road to US 192 and coordinate utilities.
-



7. TRANSPORTATION & TRANSIT – TRANSPORTATION PLANNING – FUND 102 (TRANSPORTATION TRUST FUND)

Departmental Objective:

Provide and maintain a safe and effective traffic network for all modes for the citizens and traveling public of Osceola County.

Strategic Objectives:

STRATEGIC OBJECTIVE #1:

Strategic Plan Goal #2 – *Upgrade the County Infrastructure and Transportation Network: Prepared for Growth; Objective: Reduce travel times in the County: Point A to Point B.*

- Monitor compliance with grant requirements and restrictions with the objective of leveraging additional local, state and federal grant funds to enhance the number and quality of roads, trails and sidewalk projects, as well as traffic signals that can be advanced to design and construction.

Based on the information reviewed, the MJ Team concluded that program goals and objectives are generally clearly stated, measurable, can be achieved within budget, and are consistent with the County's strategic plan. Accordingly, this subtask is met.

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.

To perform the assessment, the MJ Team requested the performance measures used by the County to evaluate program performance. County management indicated that Transportation & Transit projects are tracked and budgeted through the Capital Improvement Program (CIP). These projects are also tracked for performance daily and during bi-weekly staff meetings with program managers using the Master Projects List. The CIP reports the five-year capital improvement budget by department and program or project. The Master Projects List includes the project estimate and status. Public Works' Road & Bridge Division indicated that its performance measures are best identified by the accomplishments section in the adopted budget.

In addition, various management reports are used to monitor if projects are completed within the budget as discussed in Subtask 1.1. These reports include the following as listed in **Figure 4-2**.



FIGURE 4-2
EXAMPLES OF REPORTS TO MONITOR PROJECT COST PERFORMANCE

Report	Purpose
<i>Project Financial Tracker</i>	List all budget sources and the total project budget; all vendors and purchase order amount, cumulative payments to date, and remaining balance.
<i>Budget to Actual Report</i>	Report generated from the County's financial accounting system (IFAS) monthly or on-demand basis for each program budget to monitor budget-to-actual project performance. This report provides budget status by sub object, including encumbrances, and a percentage realized number to facilitate quick review of how much budget has been expended year-to-date.
<i>Project Status with Funds</i>	Provides the project budget status for each CIP project.
<i>Transportation & Transit CIP Expenditures (TTCIP)</i>	Report which shows budget-to-actual transportation project expenditures from project inception to date. It shows the organization, funding source, and individual project. The TTCIP report is generated on demand by County financial staff using job ledger reports from IFAS. They are produced bi-weekly
<i>Work Order Summary Report</i>	Shows the number of hours used to repair potholes.

Source: Transportation & Transit and Public Works project files.

Although informative, these resources do not represent a comprehensive set of performance measures. Other counties and agencies use standard performance measures for similar programs. The following **Exhibit 4-3** presents examples of performance measures extracted from St. Lucie County and Miami-Dade County reports. However, this report is not recommending that Osceola County use these same performance measures. This chart is simply presenting options for consideration. **Figure 4-3** shows examples of performance measures indicated by other counties.

FIGURE 4-3
EXAMPLES OF PERFORMANCE MEASURES USED BY OTHER COUNTIES

St. Lucie County	Miami-Dade County
Lane miles of additional capacity along existing congested corridors	Number and % of lane miles of road whose condition was either improved or maintained at a satisfactory level
% truck miles severely congested	Lane miles in poor, fair, satisfactory and excellent condition
% of roadways with sidewalks and bike lanes	Number of projects completed and number of projects completed within budget
% of transit stops with sidewalk access	Time frame to completion of construction project compared to the industry norm
Pavement condition, 70 or less (<i>uses a subjective pavement condition rating system</i>)	
Bridge condition, 50 or less	

Source: Miami-Dade County and St. Lucie County.



Also, the County lacks a standard report that clearly provides metrics and showing if projects are both completed on time and within budget. Budget and cost elements and project notes exist on various reports as addressed in Subtask 1. For example, Transportation & Transit's Master Projects List is maintained to review the status of all Transportation & Transit capital projects and includes the project description, engineer's estimate, and narrative project status notes. **Figure 4-4** presents one model of a Capital Project Schedule, which indicates if each project is within budget and on time. These revisions would allow the County to monitor cost and timelines for completed projects in a transparent manner.

FIGURE 4-4
SAMPLE REVISIONS TO CAPITAL PROJECT SCHEDULES

Description	Amount	Description	Date
COMPLETED PROJECTS:			
Original Contract Amount		Original Substantial Completion Date	
Change Order #x		Change Order #x	
Change Order #x		Change Order #x	
Final Revised Budget		Final Revised Completion Date	
Actual Expenditures per Pay Application		Actual Substantial Completion Date	
Actual Expenditures per Budget Analysis		Actual Final Completion Date	
PROJECTS IN PROGRESS:			
Percent of construction days used:			
Percent of costs incurred			

Source: The MJ Team.

Although some capital projects are evaluated by the FDOT and other grantors and the County monitors budget to actual and tracks their accomplishments in the adopted budget annually, the County lacks internal reports documenting performance measures and the outcomes based on pre-determined standards.

A review of other counties' measures could assist Osceola County in developing and frequently reporting their performance measures. Thus, this subtask is not met.

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.

To address the requirements of this subtask, Team MJ reviewed various internal controls to determine if they provide reasonable assurance that program goals and objectives will be met.



PROGRAM ACCOMPLISHMENTS REPORTED IN ADOPTED BUDGET

Each department documents program accomplishments in the annual adopted budget. This provides notification to County Commission and high level monitoring of meeting the County's program goals and objectives. For example, Transportation & Transit's accomplishments included the following:

- **Accomplishment #3, Strategic Plan Goal #2.: Objective: Reduce travel times in the County.**
 - Obtained \$4.8 million in Local Agency Program state grant for Hoagland Phase 3, which allowed plans and specifications to be updated, bids to be let, and construction to begin by the end of 2019.
- **Accomplishment #4, Strategic Plan Goal #2.: Objective: Reduce travel times in the County and increased the ridership and convenience of public transit.**
 - Initiated a Project Development and Environment (PD&E) Study for the widening, rehabilitation, and reconstruction of Neptune Road.
 - U.S. Department of Transportation BUILD 2018 \$15 million grant for construction submitted 7/19/2018.

AGENDA REQUESTS INCLUDE A STRATEGIC PLAN SECTION

Agenda Items include a section describing how the proposed project expenditures align with the strategic plan. Before the project begins, there is a review and approval process to ensure that the proposed project supports program goals and objectives.

MANAGEMENT REPORTS TO MONITOR PROGRAM PERFORMANCE

Various management reports are used to monitor program performance as discussed and analyzed in Subtask 1.1. Reports such as the Project Financial Tracker and Budget-to-Actual Report monitor the program budget versus actual cost; daily inspection reports and engineer weekly summaries document project management and monitoring to ensure program goals and objectives are met.

The County Manager keeps the Board of County Commissioners apprised of projects, developments and updates on a weekly basis documented in memos to the Board Members on "Weekly Activities Updates".

Policies and Procedures

In addition, the MJ Team obtained and reviewed various County policies and procedures and procedures including the following budgetary, procurement, and contract compliance procedures. These documents serve as important components of the County's system of internal control as summarized in **Figure 4-5**. Testing of some project-specific internal controls is included in Subtask 1.6, and Subtask 6.2 contains additional review of internal controls.



FIGURE 4-5
EXAMPLES OF PROGRAM-RELATED POLICIES AND PROCEDURES

Policy Name	Date	Purpose	Examples of County Compliance
Osceola County Administrative Code, Chapter 4-Budget Policy	03/04/2013	Policy by which the County develops, implements, and administers its operating and capital budgets. It serves as a tool for implementing the County Commissioners' goals and objectives. If an item to be acquired exceeds \$25,000 and has a useful life of more than 10 years, it will also be included in the Capital Improvement Program (CIP). The CIP is a five-year program for the County's major capital projects which is reviewed and revised annually.	County maintains the annual adopted budget on its website including the Capital Improvement Program.
Osceola County Administrative Code, Chapter 6-Finance Code	01/09/2017	Establish policies governing the financial operations of the County. County Administration has the responsibility to establish and maintain an adequate system of internal control.	External and internal audit reports include evaluations of internal controls and compliance with policies and procedures.
County Manager Procedure, Section 3.3-2 Conflict	11/20/2016	To establish guidelines to avoid an actual, potential or perceived Conflict of Interest when completing County procurement for Goods, Services or Construction	
County Manager Procedure, Section 3.4-1 Request for Proposals/Professional Services	03/20/2017	Establishes procedures for competitive sealed solicitation responses	Project file documents include a bid tabulation, notice of award, and board agenda request to authorize the vendor selection and alignment with program goals and objectives
County Manager Procedure, Contract Compliance Program	02/11/2012	Standardize and improve the process of monitoring County contracts for compliance and requiring standards of participation by County Departments.	The Vendor Performance Report is used to evaluate vendor performance against contractual agreements

Source: Osceola County.

Based on the MJ Team's analysis of compliance with internal controls and related policies and procedures, this subtask is met.



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, Osceola County partially meets this research objective. The MJ Team found that some of the information on the website was not up-to-date because the County does not have clear responsibility assignments nor a specific process in place to evaluate the usefulness, timeliness, and accuracy of data that is provided to the public. The County uses social media, print media (news releases), and digital (television) media systems, when it needs to relay information to the public quickly. The County makes program budget and cost data available on its website and provided evidence that processes are in place to ensure the accuracy and completeness. However, program performance data is not readily accessible to the public. Additionally, the County has a standard operating procedure in place and provided evidence that the process to correct erroneous and incomplete information is performed timely.

SUMMARY OF CONCLUSIONS ON RESEARCH SUBTASKS

SUBTASK 5.1

Condition: Subtask 5.1 Partially Met

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

The County does not have clear responsibility assignments to determine which departments and position(s) are accountable for ensuring financial and non-financial data is available to the public.

The County has placed less attention on maintaining an up-to-date website. Instead, more focus has been on disseminating information through the use of social media, print media (news releases), and digital (television) media systems, which is “real time.” Outdated information might be unreliable and therefore, may be perceived by the public as inaccurate and untimely, which often creates a lack of trust from the users of the data.

Cause: Communications and Information Technology Department management acknowledged that in the recent past, there was no distinct process in place to update information on the County’s website.

Effect: Information Technology Department personnel performs content updates as requested by various departments or personnel, resulting in periodic updates to posted information. The Communications Director has been employed by the County for less than two months and is currently exploring strategies and systems to improve the quality, accuracy, and timeliness of data at the County.



Criteria: Best practices suggest that specific review and update responsibilities be assigned to designated positions to ensure that information content that is disseminated to the public whether on the website, social media, or other communications systems is routinely reviewed and updated. Without this type of process in place, the County runs the continued risk of disseminating information that is outdated and unreliable.

RECOMMENDATION 5.1

Assign a management team member with the responsibility for ensuring that public information is routinely reviewed and updated and establish a clear process to ensure data is useful, correct, and up-to-date.

SUBTASK 5.2

Condition: Subtask 5.2 Partially Met

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.

Although the Communications and Information Technology Departments prepare analytics reports to measure the County's website traffic, page views, length of time a user views a specific page, and gauges user perceptions of the website, this data does not evaluate the accuracy or adequacy of data. Additionally, while there is a Live Chat link on the website for users to provide suggestions for improving the quality of information, this process is not sufficient to ensure that information is regularly evaluated for adequacy and accuracy.

Cause: The Communications Department has taken steps through the use of analytics reports and customer feedback links (on the website) to strengthen the accessibility and quality of data provided to community members. However, no additional processes have been put in place to ensure the accuracy and adequacy of data.

Effect: Without a clear process to evaluate and ensure the accuracy and adequacy of public data, community members may lose confidence in the reliability of information.

Criteria: Communications best practices suggest that data quality standards be established and that these quality objectives be linked to business/organization objectives.

RECOMMENDATION 5.2

Establish data quality standards and implement a formal evaluation process (report) that addresses the adequacy and accuracy of information provided to the public and communicate these standards and evaluation results to all positions responsible for developing public documents.



SUBTASK 5.3

Condition: Subtask 5.3 Partially Met

Determine whether the public has access to program performance and cost information that is readily available and easy to locate.

The County makes program budget and cost information available on its website and in the Five-Year Capital Improvement Program document. No program performance information was located on the website.

Cause: Detailed budget and cost information combined with program performance information are critical project data points, which enable the public to evaluate both the utilization of financial resources and the quality and effectiveness of government services.

Effect: The use of detailed budget, cost, and program performance measures in government is being driven by greater community demand for increased accountability and interest in resource allocation decisions. As noted within Subtask 4.2, performance measures include inputs (resources used), outputs (program activities), efficiency measures (ratio of inputs to outputs), and outcomes (the actual results of programs and services).

Criteria: Detailed cost data combined with program performance measurement tend to make governments more results-oriented and help the public to determine if the government is being good stewards of financial resources.

RECOMMENDATION 5.3

The County should, when practical, make performance data and metrics accessible to the public.

SUBTASK 5.4

Our work revealed no issues or concerns related to whether processes the program has in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.

SUBTASK 5.5

Our work revealed no issues or concerns related to 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.



ANALYSIS RESULTS & CONCLUSION

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

To address the requirements of this subtask, the MJ Team conducted a focus group interview with the County Manager, Deputy County Manager, Assistant County Manager, Transportation & Transit Executive Director, Information Technology Director, Communications Department Director, and the Transportation Consultant.

The MJ Team also evaluated relevant documents that are available to the public on the County's website during fieldwork (conducted February 19-21, 2019) to determine usefulness, timeliness, and accuracy. **Figure 5-1** provides sample documents that are on the County's website. Most organizations consider the website to be the primary communications system (tool) that is used to ensure the public has access to pertinent, accurate, and timely data.

FIGURE 5-1

CURRENT FINANCIAL AND NON-FINANCIAL INFORMATION ON THE WEBSITE

Sample Documents Available to the Public on the Website	
Financial Information	Description/Purpose
<i>FY2019 Adopted Budget</i>	This document was prepared in accordance with Chapter 129, 200 and 197 of the <i>Florida Statutes</i> . This budget document is comprised of the General Funds, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Enterprise Funds and Internal Service Funds.
<i>Comprehensive Annual Financial Report (CAFR) 2017</i>	This report provides a complete set of fiscal year-end financial statements presented in conformity with <i>generally accepted accounting principles (GAAP)</i> and audited in accordance with <i>generally accepted auditing standards</i> by a firm of licensed certified public accountants.
<i>Strategic Plan 2015 – 2019</i>	This document defines how the County will achieve their goals of growing and diversifying the County's economy, upgrading County infrastructure and the transportation network, creating great neighborhoods for the future, and executing a cost-effective high-performance County government.
<i>Comprehensive Plan 2025</i>	The Osceola County Comprehensive Plan identifies the principles, guidelines, standards, and strategies for the orderly and balanced future economic, social, physical, environmental, and fiscal development of the area and reflects the County's vision and community commitments which implement the plan.
<i>Osceola Executive Dashboard</i>	This online tool allows viewers to see budget information, important projects, website statistics, employee statistics and demographics, and specialized reports on Osceola County departments.



Sample Documents Available to the Public on the Website	
Non-Financial Information	Description/Purpose
<i>Meeting Agenda and Minutes</i>	These types of agenda typically provide an opportunity for appropriate public participation. This can be used to increase awareness of an issue or proposal, and can be a starting point for, or an ongoing means of engaging, further public involvement.
<i>Osceola TV</i>	Osceola TV is Osceola County's online channel for videos and online media. Videos related to every aspect of Osceola County life, leisure, safety, history, or government involvement can be found within this channel.
<i>County Meeting Videos</i>	These videos are available to anyone to watch County meetings at any time. It provides great convenience for the public to keep up with current issues and proposals.
<i>County News</i>	This webpage releases important news information related to Osceola County for the citizens of the community.
<i>Transportation Surtax Webpage</i>	This webpage, which explains the purpose of the transportation surtax, was released on the same day as the Board of County Commissioners Meeting, which was held at 5:30 pm on Friday, February 18, 2019. By synchronizing the release of the webpage with the streaming of the Board meeting, community members were able to immediately use this resource to learn more about the surtax.

Source: the MJ Team.

In addition to the website, the County uses multi language (English and Spanish) social media, newsprint, and digital media (television) to ensure community members receive useful, up-to-date, accurate information.

The County uses social media platforms such as Facebook, Twitter, Next Door, Instagram, and Vimeo and the MyOsceola (mobile application) to ensure community members receive information about public meetings and are kept apprised of transportation project status “real time.”

For example, road and transportation topics are shared with community members using Facebook, Twitter, and NextDoor. The MyOsceola mobile application alerts community members of heavy traffic congestion so that they can avoid unnecessary delays. Osceola County is adjacent to the City of Orlando. News releases are routinely shared with over 50 print and digital media partners so that transportation issues that impact both areas are promptly communicated. Some of the print media partners include: Osceola News Gazette, Osceola Star, Osceola Community Newspaper, Poinciana Pioneer, Orlando Sentinel, and Orlando Business Journal. In each of these publications the County places informational ads, public notices, and news stories about County programs. Digital (television) media partners are mainly comprised of local Orlando network television affiliates.



The MJ Team noted during fieldwork that some of the information available to the public, particularly, on the website is not up-to-date, demonstrating a lack of timeliness (outdated information) and because it is not up-to-date, may even be inaccurate. Several examples of information that was not up-to-date, included:

- **Executive Management Team Page** – The Transportation & Transit Executive Director (who joined the County more than two years ago) was not included on the leadership team page as well as several other key management team members. The MJ Team inquired to the Communications and Information Technology Department’s management about the information omissions on the executive leadership team page and it was partially updated on February 22, 2019. It is the MJ Team’s assessment that this type of information should be updated within two days of a key management change being made. Other agencies outside the County or community members who might want to contact executive management team members may find difficulty doing, so if up-to-date information is not posted.
- **Master Report and Executive Dashboard** – The purpose for both the Master Report and Executive Dashboard was to allow community members an easy way to track County budgets and projects. *Some of the information on the Executive Dashboard is current and some is outdated.* Until November of 2012, a Master Report (link) was published monthly on the County's website. From that point forward, it was replaced with the Executive Dashboard. The executive team met monthly, and as a part of that meeting, reviewed all projects in the Project Center, and where clarifications or updates were needed the appropriate direction was given and carried out. Over time, the County moved to the publication of individual webpages/websites for sharing project and budget information. Currently, the Executive Dashboard is not being kept up-to-date.
- **Project Center** – The purpose was to provide new methods of delivering relevant road and transportation information to community members, as well as project performance and cost information to the public. The County has moved to the creation of popular single-subject matter pages like improvesimpsonroad.com as well comprehensive social media directing community members to the new sites and press releases, which are posted on the County's website. Because the Project Center is still on the website, it is not easy to determine what information is accurate and up-to-date and what is not.

It is the MJ Team’s assessment, that the County has not placed the same level of focus to ensure that the website is kept up-to-date as compared to information disseminated through the use of social media, print media (news releases), and digital (television) media systems. Communications and Information Technology Department management acknowledged that in the recent past, there was no distinct process in place to update information on the County’s website.

The Information Technology Department personnel performs occasional content updates as requested by various departments or personnel, resulting in time certain updates to posted information, but this process is not consistent. The Communications Department Director has



been employed by the County for less than two months and is currently exploring strategies and systems to improve the quality, accuracy, and timeliness of data in the public domain.

Out-of-date information might be unreliable and therefore, may be perceived by the public as inaccurate and untimely, which often creates a lack of trust from the users of the data.

Accordingly, the MJ Team's assessment is that this subtask is partially met.

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.

To address the requirements of this subtask, the MJ Team interviewed Communications and Information Technology Department management. We also reviewed various documents, which included:

- Website update and maintenance processes, including positions responsible;
- Multiple emails demonstrating internal and external parties were contacted requesting feedback regarding accuracy and adequacy of a variety of information intended for publication on the website, in news releases, etc.;
- Internal utilization analytics;
- Sample financial and non-financial reports maintained on the County website;
- Live meeting audio; and
- Website Live Chat feedback link.

The County's website is hosted by Solodev. Solodev is a local vendor based out of Orlando, Florida, which offers website-related software and services, including an enterprise class Content Management System (CMS), website design, and content creation and migration. Osceola County has used Solodev's CMS and services for its website, Osceola.org, for more than five (5) years. Solodev provides the County with technical support and consultative services, as well as the design and creation of custom solutions as needed. Solodev actively monitors performance, health and availability of the County's website, and proactively responds to problems or issues.

According to Communications Department Director, the Information Technology Department's website and application development teams are responsible for posting items on the website. As guided by the Osceola County Communications Policy, it is the responsibility of individual content creators to disseminate accurate, clear, and comprehensive information. A significant amount of the content provided to the Information Technology Department comes directly from the senior staff and program managers of various departments. Examples of this content includes: meeting notices, agendas and postings, all of which has gone through numerous layers of formal review and approval. Any other content provided to the Information Technology Department for posting on the website must come directly from the Office of Community Outreach and Public Information Divisions of the Communications Department.



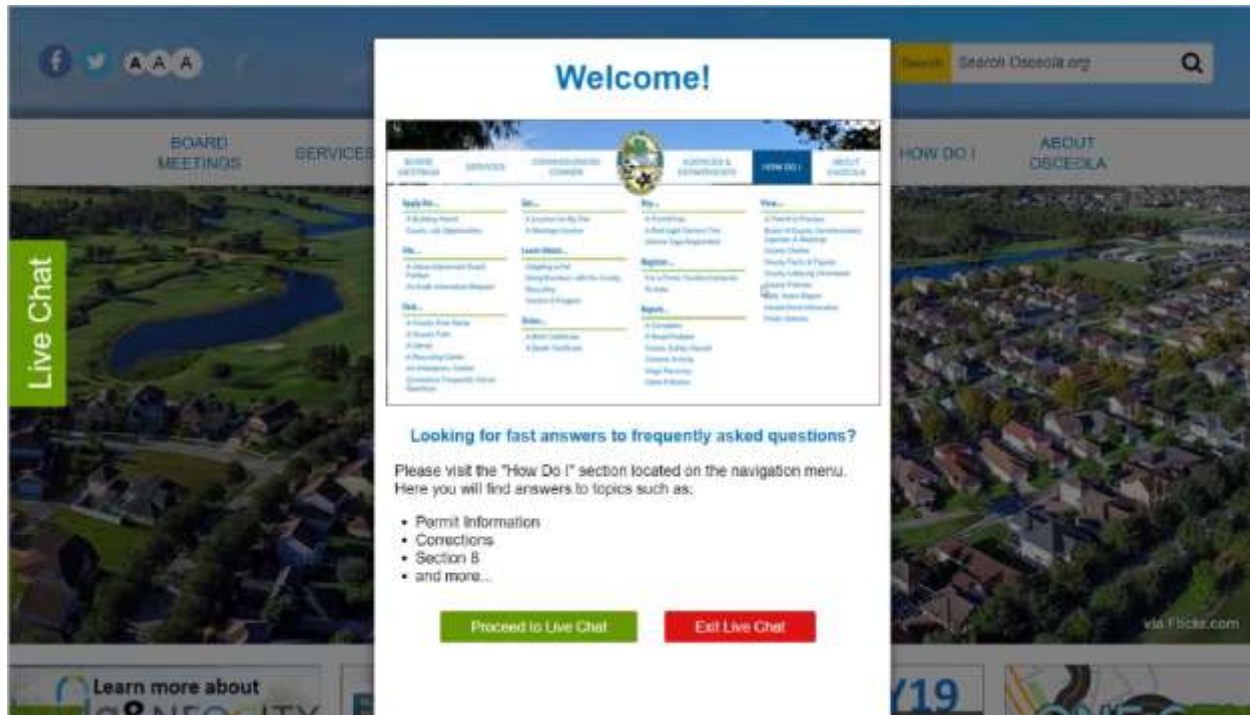
The Public Relations Officer and the Public Information Coordinator generate and post all social media content on a schedule, as outlined by various departments. They also tag and link external partner entities (when appropriate) to maximize reach and effectiveness of messaging campaigns. Social media content falls under a variety of different subject matter, and coordination with senior department staff and subject matter experts help to ensure that the material is factually and stylistically correct, and may be easily understood by the intended audience, regardless of language or ability.

The Communications and Information Technology Departments prepare analytics reports to measure the County's website traffic, along with social and digital media usage. Examples of these statistics show that the website received nearly 8.48 million page views for the period between January 31, 2018 and February 1, 2019. The website received nearly 6.3 million unique page views during this same time period and the average time a viewer spent on a page was approximately 1 minute and 17 seconds. For this same time period, analytics showed that the Hoagland project page received 1,284 page views, 1,093 unique page views, and the average length of time a viewer spent on each page was 2 minutes and 39 seconds. An example of digital media analytics showed that more than 98,000 Orlando community members viewed the highlights of the Osceola surtax public hearing on February 18, 2019.

The County's website provides a Live Chat link feature as shown in **Figure 5-2**. This link allows users to communicate with a County staff member who can assist them with needed services and information in a timely fashion manner. The County staff member who is assisting with the chat can get the community member to the right service or resource, based on their specific question or circumstance.



FIGURE 5-2
OSCEOLA COUNTY LIVE CHAT FEEDBACK LINK



Source: <https://www.osceola.org>

Note: the Live Chat link is available on every website page.

The County uses analytics reports to measure website traffic and gauge community members' perceptions regarding available information. The Live Chat feature, which is operational Monday through Friday from 8 am to 6 pm, provides an opportunity for community members to offer feedback on the quality of available information. However, no formal report or process is in place to evaluate the accuracy and adequacy of the County's public information.

Best practices for data integrity (accuracy) and quality suggest that public sector/governmental organizations need 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. This process should involve a "sweep" of the content by navigating page-by page checking to ensure it remains to be useful to the public, accurate, and that documents remain valid. If a regular "sweep" of the County's website had been conducted on an on-going basis, the out-of-date information likely would have been identified and updated timely.

Figure 5-3 presents the type of criteria the County 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.



FIGURE 5-3
SAMPLE PROCESS TO EVALUATE ADEQUACY AND ACCURACY OF PUBLIC DOCUMENTS

Evaluation/Audit Criteria	Description
<i>Determine Goals</i>	Is the content of the information achieving its intended goal/purpose? Is language easy to understand and professional and does the content tone carry the desired message?
<i>Determine Whether Information is Correct/Complete</i>	As content ages, facts and data that were once accurate can become inaccurate. Is the information formatted consistently and free of spelling errors? Is all information accurate and complete?
<i>Determine Whether Information is Outdated</i>	Is the information still relevant or has the content become outdated?
<i>Determine Whether Content is Effective/Still Serving Original/Intended Purpose</i>	Was the content useful? Did it reach its intended audience? Was the most effective media source used to reach the target audience? Did the right subject matter experts contribute? Was the production of the content cost-effective?

Source: The MJ Team.

The use of analytics and the Live Chat feature are not sufficient to ensure accurate and adequate public documents are prepared by the County. Since the County has no clear process supported by a content evaluation/audit with associated internal or external reports, accordingly, this subtask is partially met.

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

To evaluate this subtask, the MJ Team reviewed project budget and cost information included on the Transportation project page as well as in the Five-Year Capital Improvement Program document for the Hoagland Boulevard road improvement project as well as other projects, such as the Neptune and Simpson Road projects. The Five-Year Capital Improvement Program document covers all projects that have a useful life of at least 10 years and a cost of \$25,000 or more. The Hoagland Boulevard road improvement project is currently the County's single largest transportation project.

The project began construction October 15, 2018, and is valued at approximately a \$38.2 million. **Figure 5-4** illustrates the type of budget and cost information the County makes available to the public.



FIGURE 5-4
PROJECT PAGE FOR HOAGLAND BLVD. – ROAD IMPROVEMENT PROJECTS

Hoagland Boulevard Phases 2 & 3

MAP

PROJECT DETAILS

Osceola County began construction October 15, 2018 on improvements to Hoagland Boulevard, approximately a \$38.2 million Project that, when complete, will provide motorists with a quicker and more efficient travel option between John Young Parkway and 5th Street.

PHASE 3

The first phase of the Project, known as Phase 3, consists of building a four-lane divided roadway, with 6-foot to 7-foot wide bike lanes on each side, a 5-foot sidewalk one side, a 6-foot to 8-foot wide sidewalk on the other side of the roadway, reconstruction of the existing Shingle Creek bridge and construction of a new Shingle Creek bridge. Though only about one-mile in length, construction of Phase 3 will likely cause some inconvenience to motorists as work will occur along the existing alignment. Every effort will be made to minimize traffic disruptions, but motorists can expect some shifts in traffic patterns, lane closures, and potential delays as work progresses. Motorist alerts and updates will be provided on this website.

PHASE 3 DETAILS	
Work Type:	Widening & Reconstruction
Length:	1 Mile
City:	Kissimmee
Start Date:	Oct. 15, 2018
Cost:	\$11 million
Est. Completion:	Mid-2020

PHASE 2

The second phase of construction, known as Phase 2, will be performed concurrently with Phase 3, and will realign Hoagland Boulevard from north of the Shingle Creek Bridge to the existing four-lane section at 5th Street. This includes building a four-lane divided roadway, 6-foot wide bike lanes, a 5-foot wide sidewalk along the east side of the roadway and an 8-foot to 10-foot wide path along the west side of Hoagland Boulevard. The project also includes a new bridge spanning the SunRail railroad tracks.

Work on Phase 2 is expected to have fewer impacts on the community as a new 2.15-mile long roadway will be built to the west and south of Kissimmee Gateway Airport to connect the north and south segments of the road.

PHASE 2 DETAILS	
Work Type:	Realignment & New Bridge
Length:	2.15 Miles
City:	Kissimmee
Start Date:	Early 2019
Cost:	\$28 million
Est. Completion:	Mid-2021

Source: <https://www.osceola.org>



Program performance data is important because it promotes increased accountability and helps to drive appropriate resource allocation decisions. While program budget and cost information is accessible to the public, the lack of performance data results in this subtask being partially met.

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.

To address the requirements of this subtask, the MJ Team interviewed the County Manager, Deputy County Manager, Assistant County Manager, OMB Director, the Comptroller and Assistant Comptroller, PW Director, Transportation & Transit Executive Director, Communications, and Information Technology Director.

We reviewed the processes the County uses to ensure the CAFR is accurate and complete, since this process is reflective of similar practices used to ensure accuracy and completeness related to the various documents and reports, outlined below:

- Comprehensive Annual Financial Report, 2017;
- FY2019 Adopted Budget;
- Capital Improvement Projects;
- Board of County Commissioners Agenda (to Approve Projects);
- Road & Bridge Quarterly Performance Report;
- Strategic Plan 2015-2019; and
- Comprehensive Plan 2025.

A planning meeting is scheduled to establish the requirements, scope, and timeframe for completing CAFR assignments.

County accountants and financial staff complete the fund analysis and accrual of revenues and expenditures. Entries are reviewed and approved by Accounting Manager and/or Assistant Comptroller. A check list with the CAFR assignments and auditors “to do list” is prepared for the audit requests and to complete the CAFR (included for review). Once all the entries are recorded a trial balance of all the funds is compiled and provided to the external auditors.

To ensure accuracy of the financials, the Accounting Manager performs a check and balance process for revenues, debt issuance, capital outlays to ensure financial data and the notes to the financials are accurate. Accountants record financial information for their assigned funds in the corresponding section of the CAFR. The Accounting Manager and Assistant Comptroller review the data prior to inserting the information in the CAFR files. As part of the internal process of check and balance another Accountant reviews the data after it is entered to ensure the amount is posted in the corresponding line/category. The Accounting Manager and Assistant Comptroller perform a final review of the information entered by the Accountants to ensure accuracy.



All the funds are combined based on their nature, such as general funds, special revenue funds, debt service funds and capital projects. Proprietary funds are grouped together and cash flow projection is then prepared. All the data is reviewed for accuracy and a proofreading is completed in-house.

Notes to the financial statements are completed by assigned staff and reviewed and approved by the Accounting Manager and Assistant Comptroller to ensure compliance with the Government Accounting Standards Board (GASB) and any other regulations. Schedules and statistics are also compiled and this information is reviewed and approved prior to and after it is entered in the CAFR files.

Additionally, required supplementary information is included in the CAFR to comply with GASB and any federal and state regulations. The external auditors also perform a review of the schedule of expenditures for federal and state awards and issue an opinion. The external auditors will select a sample of the grants to ensure compliance with single audit requirements.

Once all the data is compiled, the team will submit the CAFR to the Comptroller for review and approval to move to the External Auditors. Once the internal review is complete, a CAFR draft is sent to the external auditors for a complete review. External auditors validate the trial balance submitted, ensuring all transactions are included in the financials and that there are no material deficiencies within the data submitted. Once external auditors complete their review they will issue an opinion on the statements.

An exit meeting is scheduled with the same group as the entrance meeting to discuss the results and findings and recommendations, if any. After the exit meeting the CAFR is submitted to the Board of County Commissioner for approval. Once the CAFR is approved by the Board, a copy of the CAFR is sent to the Government Finance Officers Association (GFOA) with an application for the award for excellence in financial reporting, and to any other agencies that require the financials, including HUD, and other grant's agencies.

This process ensures the accuracy and completeness of the financial information that is presented to the Board of County Commissioners and the public. The County uses a similar process to ensure data is accurate and complete for the budget, capital improvement projects, Board of County Commissioners agenda items, Road & Bridge Quarterly Performance Reports, the strategic plan, and the comprehensive plan.

The MJ Team identified no deficiencies in the accuracy and completeness of the program performance and cost information in the sample documents that were reviewed. Based on the practices outlined above, the MJ Team concludes that the County has adequate internal processes in place to ensure performance and cost information are both accurate and complete. Accordingly, this subtask is met.



SUBTASK 5.5 – Determine whether the program has 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, reports, and other materials prepared by the county and that these procedures provide for adequate public notice of such corrections.

To address this subtask, the MJ Team conducted interviews with the Transportation & Transit, Public Works, Information Technology, and Communications Department management. Additionally, the audit team reviewed the County’s procedures related to the timely correction of information in the public domain, as well as examples of documents that had been corrected to ensure the policy is adequate and that it is followed.

The County Manager Procedures, Master Documents primarily govern the overall operations of the County. These procedures are created by the Osceola Clerk of the Board of County Commissioners (BOCC). Section III of the procedure is publically available in the Administrative Code, Chapter 1 (<https://www.osceola.org/agencies-departments/county-manager/documents-library/administrative-code.html>) and specifically addresses the timely action for correcting erroneous and incomplete information, as follows:

- 1) As County Departments find it necessary to create, amend, revise, and update various County documents, which are subsequently presented to the BOCC, County Manager, or designee, for approval;
- 2) Should the approval by the appropriate party indicate that additional changes to the document be required, the initiating Department is responsible for finalizing the document with the changes;
- 3) If no changes to the document were made and approval was provided by the BOCC, the Board Clerk will ensure the appropriate site is updated;
- 4) If approval is granted via the County Manager, or designee, or changes are required to the approved document, the initiating Department will provide proof of the changes within *two business days after approval*;
- 5) If the document is a BOCC approved policy, once the electronic version is submitted to the Board Clerk, action will then be taken to place the updated document on the County webpage at www.osceola.org.

The MJ Team also reviewed two other procedures from the Master Documents, which provide guidelines for (1) Re-advertisement of Legal Documents with Errors, and (2) Right-of-Way Manual Updates. These procedures are summarized below:

Re-advertisement of Legal Documents with Errors – This procedure documents key process steps including communications protocols, the requirement to notarize documents to validate the process steps were actually performed, original advertisements and re-advertisements that are completed in accordance with ss. 125.66(4) and 125.66(5), *Florida Statutes*.



Right of Way Manual Updates – This procedure provides guidelines for activities involving the acquisition, disposal or management of properties owned or desired to be owned by the County. The manual is regularly updated as decisions are made regarding control and regulation of activities within the County right of way, as well as when statutes or regulations change at the County, state or Federal levels. Section E6 includes documented steps for a final desk review for correctness to ensure compliance with the Uniform Standards of Professional Appraisal Practice (USPAP).

The manual is publically available on the Osceola County website at <https://www.Osceola.org/core/fileparse.php/2731/urit/021017> Chapter 10-Right-of-WayManual.pdf

In addition, the County has developed supplemental policies to address routine issues to ensure that the public is notified promptly (including via social media) when errors or incomplete information reaches the public as related to the handling of: (1) public records requests, (2) media requests, and (3) requests for program, project, or personnel information. County contact information for various departments and position titles responsible to facilitate timely action to correct erroneous or incomplete information is also included in these supplemental policies.

Based on the information provided, the MJ Team concludes that the County has adequate procedures and policies in place to correct erroneous and/or incomplete program information and notice of corrections were timely. Accordingly, this subtask is met.



RESEARCH TASK 6

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

FINDING SUMMARY – Overall Osceola County’s Transportation & Transit and Public Works Departments meet Task 6. The County Attorney’s Office (CAO) oversees the County’s 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. The CAO stays abreast of federal, state, and local legislation that could impact County departments. The division of responsibility and allocation of attorney hours within the CAO ensures that the County remains in compliance with procurement and grant legal requirements. Solicitation documents and contracts contain standard language to ensure compliance with granting agency requirements such as the Florida Department of Transportation and the Federal Highway Administration. Internal controls and processes to take corrective action when applicable are adequate to ensure compliance with laws, rules, regulations, and policies and procedures. Ordinance 2019-19, will levy a one cent transportation tax upon voter approval. The ordinance reflects the requirements of 212.055 (1) of the *Florida Statutes* and establishes a transportation trust fund to ensure that funds are spent in accordance with applicable state laws, rules, and regulations.

SUMMARY OF CONCLUSIONS ON RESEARCH SUBTASKS

See the Analysis and Results section below for details regarding these conclusions.

SUBTASK 6.1

Our work revealed no issues or concerns related to 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.

SUBTASK 6.2

Our work revealed no issues or concerns related to 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.

SUBTASK 6.3

Our work revealed no issues or concerns related to 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.



SUBTASK 6.4

Our work revealed no issues or concerns related to 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.

ANALYSIS RESULTS & CONCLUSION

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.

To address the requirements of this subtask, the MJ Team interviewed and reviewed information provided by the County Attorney's Office (CAO) such as an overview of the CAO, the County Charter, and the County Administrative Code. The MJ Team also interviewed the Procurement Services Director regarding FDOT language embedded in solicitation documents and contracts. Finally we interviewed the commission auditor (CA) and reviewed the role of the CA outlined in Section 1.4 of the County Administrative Code.

The CAO is the foundation of the County's process to assess compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies. Although the CAO is primary, other departments play a role in legal compliance as well. For example, Procurement Services is responsible for ensuring compliance with the County's procurement procedures. State and federal grant programs such as FDOT's Local Agency Program (LAP) have their own monitoring and reporting compliance requirements. In addition, the County Comptroller's Office oversees financial compliance for federal and state grants agreements as required in the County's Finance Code. Transportation & Transit sends LAP reports to the County's grants compliance analyst prior to sending them to FDOT in order to provide another layer of compliance oversight and support.

The County charter establishes the County Attorney position as follows:

There shall be a County Attorney appointed by majority vote of the Board of County Commissioners and who shall serve at the pleasure of the Board. The County Attorney shall supervise the Office of County Attorney. The County Attorney may appoint assistant county attorneys and support staff subject to budget approval and special counsel as may be required upon approval of the Board of County Commissioners. The County Attorney shall report directly to the Board of County Commissioners. The Office of County Attorney shall provide legal services to the Board of County Commissioners, and such other County departments, boards and agencies as specified by the Board of County Commissioners. The County Attorney shall be admitted to practice law in the State of Florida. The compensation of the County Attorney shall be established by the Board of County Commissioners.



The CAO is comprised of the County Attorney, the Deputy County Attorney, two Assistant County Attorneys, and three administrative staff. Each attorney is assigned certain departments and areas of the law. They perform multiple services including instituting and defending litigation; drafting ordinances, resolutions, contract documents, deeds, and easements; attending meetings, representing boards, including the Board of County Commissioners; reviewing plats and the sale of property and leases; overseeing code enforcement and bankruptcy, conducting research, and performing other legal work as needed. **Figure 6-1** presents the CAO's time allocation for Fiscal Year 2018 and illustrates the legal coverage provided to County departments.

FIGURE 6-1
FY 2018 CAO ATTORNEY PERCENTAGE TIME ALLOCATION TO COUNTY DEPARTMENTS

County Department	Attorney #1	Attorney #2	Attorney #3	Attorney #4
Public Works	10%	4%	10%	38%
Community Development	10%	7%		37%
Board of County Commissioners/Agenda/Projects	25%			
General Research			20%	
General Fund (including Planning/Zoning)	20%			
Human Resources		15%	2%	
Fire	15%		2%	
Ethics/Public Records			16%	
Animal Services			16%	
Transportation		5%		10%
W192			15%	
Procurement	10%			3%
Human Services		8%	1%	3%
Other (County Attorney)		10%		
County Manager		5%		5%
Code Enforcement		8%	2%	
Corrections		8%		
Emergency Management	5%		3%	
EMS/Fire		7%		
ARB			5%	
Public Information Office		5%		
Wage Recovery		5%		
Wage Garnishment			5%	
Economic Development	5%			
Panhandling		3%	1%	1%
Finance		3%	2%	
Auditor/TOT		4%		
Animal Control		3%		
Planning Commission				3%

Source: County Attorney's Office.



Outside counsel supports the CAO in specialized areas such as litigation, planning and zoning, tort litigation arising from insurance claims; bond issues; sales taxes; mobility fees; special projects; and SunRail, a regional rail service. Outside attorneys may also be assigned tasks as special hearing officers or in the areas of eminent domain, labor, or other specialized matters.

To remain abreast of legal issues impacting the County, CAO attorneys are active in the Florida Association of Counties (FAC) and the International Municipal League of Attorneys (IMLA). The County Attorney serves on the board of directors of the FAC and has assisted in the development of FAC continuing legal education seminars and been both an attendee and presenter at FAC seminars.

All County Attorneys attend FAC seminars to keep abreast of current legal issues. In addition, the County Attorney attends IMLA conferences and receives legal education related to matters of national and international importance. The County Attorney also participates in a monthly FAC conference call where new decisions and concerns are discussed. Information from these seminars and continuing legal education events are disseminated to departments and the BOCC as appropriate. The information is used to develop new procedures, adjust ordinances, or refine practices in compliance with the law. In addition, information gained related to new laws are compiled and reviewed and information related to the new laws are sent to the affected departments.

Figure 6-2 is an example of a notification the CAO sent to the Transportation & Transit, Community Development, and Public Works departments regarding new legislation impacting their department.



FIGURE 6-2
NOTIFICATION OF IMPACT OF NEW LEGISLATION

Legislative Action Form

June 20, 2017

Department: Transportation, Community Development, Public Works

The following bill may affect your departments. Please review the information and determine what action is or may be necessary. If this bill should have been sent to another department please forward as appropriate. Contact the County Attorney's office with questions.

Bill: SB 596 (Effective July 1, 2017)

Summary: This bill will affect regulation of Small Wireless Facilities in public right-of-ways.

1. The bill may supersede existing county building code.

"Except as provided in this subsection, an authority may not prohibit, regulate, or charge for the collocation of small wireless facilities in the public right of way." (c)

"An authority may not limit the placement of small wireless facilities by minimum separation distance; however within 14 days after the date of filing an application an authority may request that the proposed location of a small wireless facility be moved to another location in the right-of-way and placed upon an alternative authority utility pole or support structure or placed on a new authority utility pole." (c)(4)

"An authority shall limit the height of a small wireless facility to no more than 10 feet above the utility pole or structure upon which the small wireless facility is to be collocated. Unless waived by an authority, the height of a new utility pole is limited to the tallest existing utility pole as of July 1, 2017, located in the same right-of-way. . . . If there is no utility pole within 500 feet, the authority shall limit the height of the utility pole to 50 feet." (c)(5)

Section (c)(4) is in direct conflict with Ch. 3, 40-152 (Table 3-6) of the Osceola County Building Code mandating minimum separation distances of 200% of structure height between "other structures which a communication tower is mounted" in a public right of way.
2. The bill may affect the County's ability to regulate placement of new poles or structures intended to support small wireless facilities.

"Except as provided in subparagraphs 4. and 5., the installation of a utility pole is subject to authority rules or regulations governing the placement of utility poles in public right-of-ways." (c)(6)

(c)(4) and (c)(5) prevent regulation by minimum separation distance and limit regulation by height respectively. Accordingly, these provisions may conflict with "fall zone" regulations.
3. The bill will limit the collocation rate on small wireless facilities on authority owned utility poles to \$150 annually. (f)(3)

Source: County Attorney's Office.

The MJ Team asked the County Attorney to provide a list of lawsuits against the County over the past three years that involved noncompliance with applicable federal, state and local laws, rules and regulations, and local policies and procedures in the areas related to the surtax. The County Attorney researched activity back to February 1, 2016 and provided one lawsuit related to a collision on a County road. Plaintiffs filed the lawsuit on February 15, 2016, but the County was not brought into the suit until January 17, 2017.

The plaintiff alleges that Osceola County and two of its contractors breached their care of duty by being negligent in the proper maintenance and care of the road thereby compromising road safety, which resulted in the collision. The case is presently in the discovery phase, and no trial



date has been set. The County's outside counsel anticipates that the case will be settled at mediation for the statutory cap of \$300,000, or less.

In conclusion, the CAO's is a critical component of the County's process to assess 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.

In addition to the CAO, legal compliance is assured by the compliance requirements of governmental agencies, such as FDOT that oversee grant funds allocated to the County. Proposers who respond to County solicitations for services must agree to adhere to FDOT requirements for projects funded with federal monies.

During Fiscal Year 2017, 47 percent of the County's federal grant expenditures related to FHWA pass through grants. These funds flow through FDOT's LAP program. FDOT is the steward of the federal funds and is responsible for oversight of funded projects on behalf of FHWA. The County prioritizes and funds local projects as approved by the BOCC. The County is then eligible for reimbursement of expenditures incurred in providing services to the traveling public after demonstrating compliance with applicable federal statutes, rules and regulations.

The County's process to assess and ensure compliance with applicable LAP-related federal requirements are an inherent component of the program and is largely dictated by FDOT. For example, project development and environment (PD&E) projects must comply with FDOT's Project Development and Environment Manual (the Manual). The process outlined in the Manual is FDOT's procedure for complying with the National Environmental Policy Act (NEPA) of 1969 and associated federal and state laws and regulations.

The Manual provides County Project Analysts and Managers with a framework for the consistent development of analysis, technical studies, and environmental documents for transportation projects to achieve compliance with federal and state laws, regulations, and requirements. The Manual also serves as FDOT's standard policies and procedures, supporting quality control and quality assurance in project development. Whenever the County issues a solicitation for PD&E work, the Manual is referenced in the scope of work. As County Project Managers are reviewing documents, they refer to the Manual to ensure the work conforms to the requirements outlined in the Manual. In addition, a FDOT project manager is assigned to the project to ensure that work is in accordance with the Manual so that the project remains eligible for funding.

Design projects are handled similar to PD&E studies. Appropriate standard design manuals including Manual of Uniform Minimum Standards for Design, Construction and Maintenance of Streets and Highways (Green Book) and FDOT plans and prep manuals are referred to in the project solicitation. At 60 percent, 90 percent, and 100 percent plans, the design is checked for conformance to the appropriate standards and comments are provided by County and FDOT personnel.

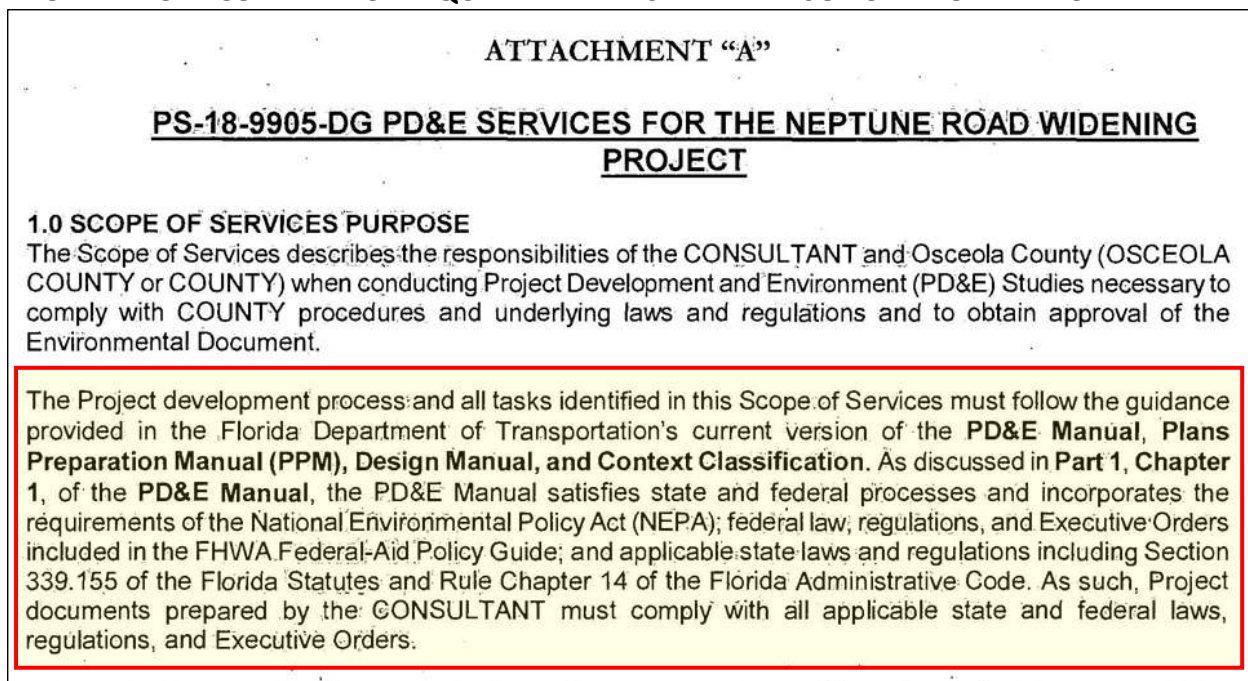


Construction projects follow the FDOT requirements as well. Appropriate FDOT specifications are referred to in the bid solicitation. Bidders also have to be pre-qualified in FDOT work classes to get to be a responsive bidder. To monitor and make sure that the contractor is adhering to contract standards, the County will hire a construction, engineer and inspector (CEI) to monitor that the work is being completed in conformance with contract documents.

Figure 6-3 is an excerpt from a solicitation for PD&E services related to a road widening project. It shows standard solicitation language that requires successful proposers to follow the guidance of FDOT's Manual. The relevant section is bordered by a rectangle.

FIGURE 6-3

FDOT MANUAL COMPLIANCE REQUIREMENT IN STANDARD SOLICITATION ATTACHMENT



Source: Neptune Road Widening Project Solicitation.

Finally, to address this subtask, the MJ Team reviewed section 1.4 of the County Administrative Code (CAC), which outlines the role of the CA in the County. The CAC clearly establishes the CA as important component of the County's process to assess compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies. Subtask 6.2 provides additional discussion about the role of CA in the County's internal control structure. The CAC states the following with respect to the CA:

The Office of Commission Auditor is established by the Osceola County Charter and reports directly to the Board of County Commissioners to provide for independent and objective consulting services designed to add value to and improve the County's operations. The Office assists the County in accomplishing its objectives by bringing a systematic, disciplined approach to the evaluation and improvement of the effectiveness of risk



management, control and the governance processes....The Office of Commission Auditor shall serve as a resource for County government and a tool for effective management.

Based on the analysis performed, the program has a process to assess 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. Accordingly, this subtask is met.

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.

To address the requirements of this subtask, the MJ Team reviewed the County's external and internal audit reports to determine if the auditors had identified internal control weaknesses that directly impact the program. The MJ Team also reviewed examples of program internal controls and the result of a grantor's exceptions to Local Agency Program (LAP) re-certification.

EXTERNAL AUDIT REPORTS

During an audit of a governmental entity, independent auditors perform procedures and issue reports that address the entity's internal controls. The County's independent auditors issued the following reports in connection with their audit, which is shown in **Figure 6-4**. None of the reports identified internal control deficiencies.

FIGURE 6-4
SUMMARY OF EXTERNAL AUDIT REPORTS FINDINGS – FY2015, FY2016, FY2017

INDEPENDENT AUDITOR REPORTS FINDINGS			
Report Description	FY17	FY16	FY15
<i>Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards (Financial Statement Audit)</i>	<i>No deficiencies in internal control considered to be material weaknesses</i>	<i>No deficiencies in internal control considered to be material weaknesses</i>	<i>No deficiencies in internal control considered to be material weaknesses</i>
<i>Schedule of Findings and Questioned Costs</i>	<i>No deficiencies</i>	<i>No deficiencies</i>	<i>No deficiencies</i>
<i>Independent Auditors' Report on Compliance for each Major Federal Program and State Project and Report on Internal Control Over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance in Accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General</i>	<i>No deficiencies</i>	<i>No deficiencies</i>	<i>No deficiencies</i>
<i>Independent Auditors' Management Letter Required by Chapter 10.550, Rules of the State of Florida Office of the Auditor General</i>	<i>No management letter recommendations</i>	<i>No management letter recommendations</i>	<i>No management letter recommendations</i>
<i>Independent Accountants' Examination Report</i>	<i>No deficiencies found</i>	<i>No deficiencies found</i>	<i>No deficiencies found</i>

Source: Osceola County FY2015-17 CAFR.



PROGRAM INTERNAL CONTROLS

Internal Transportation & Transit controls to monitor projects in accordance with applicable laws and regulations are accomplished through a variety of means and methods.

- In order for transportation funds to be eligible for state and federal funds, a project development and environment (PD&E) must be performed for the project. A County Project Manager is assigned to each project to ensure that the grant agreements and the PD&E project commitments are included in the design and construction solicitation. The projects are then tracked on a bi-weekly basis on the master project tracking sheet. The MJ Team confirmed that the tracking sheet includes a column to identify the project manager.
- The County hires consultants and contractors to perform planning, design and construction services for transportation projects. Solicitations for PD&E, design, continuing construction engineering and inspection services (CEI) and construction include the requirements of grant agreements as well as ensuring that the projects are designed and constructed in accordance with federal, state, and local requirements. The MJ Team reviewed examples of PD&E, design, CEI and construction contracts referenced various federal, state and local requirements.
- For construction projects, the County hires a CEI to provide boots on the ground inspection and reporting for the County. Weekly or bi-weekly construction meetings are held with the County and the contractor to insure that contract requirements are being met.
- In addition, according to the LAP manual, records of projects should be uploaded into LAPIT to ensure that the requirements of the program are being met. The MJ Team reviewed examples of screen shots from the LAPIT site for the Hoagland road construction project.

COMMISSION AUDIT REPORTS

The Commission Auditor's annual work plan indicated that it was developed through a County-wide risk assessment. The plan provides an overview of audit resources will be allocated in improving accountability, identifying potential risks and opportunities to the County, strengthening management controls, and enhancing the effectiveness and efficiency of County services.

- Audits in the FY2018-19 work plan included: *Audit of Construction Change Order Process*
- Audits in the FY2017-18 work plan included: *Audit of Countywide Contracts Management and Compliance*
- Audits in the FY2016-17 work plan included: *Follow Up Audits of Road & Bridge Construction Projects, Countywide Grants Oversight, and Procurement Processes*

The Commission Auditor issued a report on March 2, 2016 regarding Road & Bridge Construction Projects. The audit objective was to determine if construction projects are



monitored in accordance with the Florida Department of Transportation (FDOT) standards and if the department was in compliance with FDOT maintenance standards for roads and bridges.

In addition the Commission Auditor conducted a follow-up audit of the procurement processes for sole-source contracts and services.

The report findings, recommendations and management's response and corrective action plan are included in **Figure 1-9** in Subtask 1.4.

GRANTOR COMPLIANCE AUDITS

The Florida Department of Transportation - Local Government Agreements and other grantors conduct performance evaluations of projects and upload the evaluations to LAPIT. In 2018, the County addressed FDOT issues which impacted the County's certification status.

- **Monday, October 29, 2018** – FDOT email stating that of the three essential Title VI Nondiscrimination program components: The Title VI Nondiscrimination Assurance, the Title VI Nondiscrimination Policy and Plan, and affirming DOT/DOJ compliant curb ramps that the County's submissions required revisions to achieve LAP compliance.
- **Tuesday, October 30, 2018** – The County responded to FDOT with its corrective action plans.
- **Wednesday, November 7, 2018** – Osceola County issued its revised Civil Rights Program document to the FDOT to address the concerns raised for LAP recertification.
- **Wednesday, November 7, 2018** – FDOT reviewed the revised document and had no further comment.
- **Tuesday, November 13, 2018** – FDOT letter certifying the County was LAP recertified in planning, design, and construction/construction administration.

INTERNAL CONTROLS – AGENDA ITEMS APPROVAL PROCESSES

In accordance with the applicable laws and policies, items that require County Commission approval are submitted to an agenda for County Commission action.

All items appearing before the Commission are subject to review and approval at multiple levels. All such review and approval is documented for all agenda items on the face of each agenda item. The approval obtained at each step is required to ensure compliance with laws and policies before an item is submitted to the agenda.

Based on these examples, the MJ Team concludes that internal controls are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures. Thus this subtask is met.



INTERNAL CONTROL QUESTIONNAIRE

The management of an organization is responsible for maintaining an effective system of internal control. Accordingly, the MJ Team deployed an internal control questionnaire to the Commission Auditor, Assistant County Manager, Comptroller, and the Procurement Services Director to obtain management's assessment of internal controls. The questionnaire asks specific questions about the existence and effectiveness of internal controls and rates each response from 1 (very weak) to 5 (very strong). The business functions included on the survey are as follows:

- Segregation of Duties
- Purchasing
- Contract Management
- Payroll
- Accounts Payable
- Accounts Receivable
- Cash Management & Investment
- Information System Security
- Information System Access
- Information System Backup & Recovery

All survey respondents rated the effectiveness of these functions as 5-Very Strong. In addition to the survey questions, there were two open-ended questions:

1. What are the top five challenges, risks, or significant internal control issues that exist with respect to projects funded by a sales surtax or other sources as they relate to the development, construction, and operation of transportation facilities and services?
2. Are there any critical/urgent control issues which require immediate attention?

All survey respondents indicated there were no critical/urgent issues or internal control weaknesses. The following specific challenges were identified in their verbatim response section.

1. Ensuring proper level of support staff to handle the increased amount of funding and number of projects that can then be carried out / increased volume of work.
2. Continue to enhance training / increase the number of opportunities commensurate with the additional staffing levels.
3. Develop formalized procedures for any new programs/processes that may arise as a result of the additional funding.
4. Continuing to find additional ways to communicate effectively and efficiently as possible with departments responsible for administering the programs to ensure they have the support they need.



5. Adding more construction within a community experiencing growth.
6. Ensuring a quantity of qualified services providers are available to perform the work.

The MJ Team noted no significant or material weaknesses in internal controls from the perspective of the County management who completed the questionnaire. Accordingly, the MJ Team concludes that policies and procedures are adequate and internal controls provide reasonable assurance that program goals and objectives will be met. Thus, this subtask is met.

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.

To address the requirements of this subtask, the MJ Team reviewed whether corrective actions were timely taken to address auditor or grantor findings discussed in Subtask 6.2.

COMMISSION AUDIT REPORTS

Management's responses and corrective action plans were included in the internal audit report regarding Road & Bridge Construction Projects. The responses were reasonable and timely.

For the Procurement audit report issued on November 3, 2014, the auditor found that one of three recommendation had been fully implemented and two partially implemented during the December 14, 2105 follow up. A report addendum issued on March 17, 2016 indicated that all three recommendations were implemented and that training and emphasis on adherence by management would mitigate identified risks.

GRANTOR'S LAP RECERTIFICATION

During the re-certification process, Transportation & Transit staff worked with Human Resources staff to address the issues in a reasonable and timely manner so that the County could be re-certified within a little more than two weeks. Therefore the response was timely and recertification indicates that reasonable actions were implemented.

Based on the analysis performed, the MJ Team concludes that the County takes reasonable and timely actions to address 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. This this task is met.

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.

To address the requirements of this subtask, the MJ Team reviewed *Florida Statutes* 212.054 and 212.055(1), and County Ordinance 2019-19. These documents outline requirements for the transportation sales surtax.



On February 18, 2019, the Osceola County Board of County Commissioners approved Ordinance 2019-19, levying, subject to voter approval, a one cent transportation sales surtax for the purpose of funding transportation facilities and services in Osceola County. The Transportation Sales Surtax, if passed by voters, will be effective for 30 years starting January 1, 2020, and remaining in effect until December 31, 2049. The ordinance is in accordance with *Florida Statutes* and states the following:

In accordance with sections 212.054 and 212.055(1), Florida Statutes, and subject to approval of a majority of the electors of Osceola County voting in a special referendum election conducted pursuant to Section 4 hereof, there shall be levied and imposed throughout the incorporated and unincorporated areas of Osceola County, Florida, a one percent Transportation Sales Surtax, as authorized by section 212.055(1), Florida Statutes, on all transactions taxable pursuant to section 212.054, Florida Statutes, occurring in Osceola County, Florida.

The County will deposit all revenues generated from the sales surtax in a trust fund that will be restricted for the purposes described in the Ordinance as "funding transportation facilities and services in the incorporated and unincorporated areas of the County permitted by section 212.055(1), Florida Statutes.

On February 18, 2019, Transportation & Transit Management made a presentation to the Osceola County BOCC of planned uses for the transportation surtax funds. The presentation showed the components of the Fiscal Year 2019 transportation capital budget of \$20.6 million of which approximately 42 percent consists of federal and state funds. The presentation also shows the improvements that need to be made over the 20-year period from 2020-2040 in the following areas, which are consistent with the intended uses of the surtax: Roads & Bridges; resurfacing roads and fixing potholes; improving intersections, making walking and biking safer, enhancing bus service, and expanding public transit options. These planned uses of the transportation sales surtax funds provide sufficient evidence that program administrators have taken reasonable and timely actions to ensure that the funds are used in compliance with the law.

Based on the analysis performed, 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. Accordingly, this subtask is met.



APPENDIX – MANAGEMENT RESPONSE – OSCEOLA COUNTY (TRANSPORTATION & TRANSIT AND PUBLIC WORKS)

BOARD OF COUNTY COMMISSIONERS



March 18, 2019

McConnell & Jones LLP
1828 Loop Central
Suite 1000
Houston, TX 77081

RE: Osceola County Performance Audit

Dear McConnell & Jones LLP,

Osceola County welcomes the opportunity to respond to the Performance Audit delivered by McConnell & Jones in conformance with s. 212.055(10) Florida Statutes. The audit demonstrates that Osceola County has the processes, procedures, and adequate controls to deliver the transportation projects needed should the one-cent transportation surtax be approved by Osceola County voters. While the County may not necessarily agree with all the findings of the audit, we do appreciate the detailed analysis provided by the McConnell & Jones team and will utilize the results to further refine and develop County processes and procedures. In addition, the results of the audit did not identify any material weaknesses with how the County currently develops and delivers transportation projects.

Most importantly, the audit reinforced that Osceola County is prepared to receive and responsibly expend the funds with the highest level of fiduciary responsibility. The County is a stable organization with long tenured leadership. The combined experience in local government between the County Manager, Deputy County Manager, Assistant County Manager, Public Works Director and Transportation and Transit Director is 140 years.

Complimenting this experience are award winning departments such as Procurement and the Comptroller's Office. The team has and continues to operate in an effective, efficient, and responsible manner.

Osceola County has not had a finding in its Comprehensive Annual Financial Report since at least as far back as 2007, a solid indication of the County's fiscal responsibility. Further, in December 2018 Fitch upgraded Osceola County's \$110 million Capital Improvement Revenue Bonds, Series 2009A, 2009B, 2009C from AA to AAA. Fitch also affirmed Osceola's \$99.2 million Sales Tax Revenue Bonds, Series 2009, 2015A and 2016A and 416.4 million Infrastructure Sales Surtax Bonds at AA-. Also in December 2018, S&P raised the County's rating for General Obligation Debt to AA from AA-.

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McConnell & Jones LLP
RE: Osceola County Performance Audit
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Based on the review of the McConnell & Jones Performance Audit Draft Final Report dated March 16, 2018, we offer the following comments:

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

Finding Summary: Overall Osceola County's Transportation & Transit and Public Works Departments **meet** Task 1.

OSCEOLA COUNTY RESPONSE: Concur on the overall evaluation of Task 1 and most subtasks. Thank you for recognizing that the Transportation and Transit and Public Works Departments deliver projects with efficiency and effectiveness and are able to adequately monitor project performance and cost.

However, the County does not concur with the finding for subtask 1.6. There were extenuating circumstances associated with the two construction projects that did not meet the original completion dates. With respect to the Coralwood Traffic Signal, the Engineer of Record (EOR) that the County hired mistakenly referenced a power source that was not available. This resulted in the contractor having to find another power source. The County did assess damages to the EOR but unfortunately the time required to find the other power source did impact the schedule. In addition, two other issues contributed to the delay for the installation of the signal including a 3 month delay in obtaining an electrical inspection for the service and a subcontractor's delay in stripping the intersection. All of these delays were tracked by the Project Manager and mitigated to the best ability of the County.

Regarding the construction of the Pleasant Hill sidewalk, that project was dependent on FDOT's construction of the SunRail commuter rail station sidewalk/road work. The County completed its portion of the sidewalk construction but had to hold the contract open until FDOT completed its portion of the project, which was behind, so the County's sidewalk could tie into the FDOT project. The supporting information on both of these project delays is available and can be provided as requested. The County's response to these project delays serves as another example of how the County effectively monitors and manages project performance and costs, and makes informed and timely decisions during the construction process.

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

Finding Summary: Overall Osceola County's Transportation & Transit and Public Works Departments **meet** Task 2.

OSCEOLA COUNTY RESPONSE: Concur with the evaluation of Task 2. Thank you for recognizing the capability of the Osceola County Team in delivering projects.



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

Finding Summary: Overall Osceola County's Transportation & Transit and Public Works Departments **meet** Task 3.

OSCEOLA COUNTY RESPONSE: Concur with the finding for Task 3. Osceola County staff is continually assessing how it can deliver products and services to best serve the residents of Osceola County.

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

Finding Summary: Overall Osceola County's Transportation & Transit and Public Works Departments **partially meet** Task 4.

Research Subtask 4.2 Finding: The program lacks a comprehensive report of performance measures. Performance measures include inputs (resources used), outputs (program activities), efficiency measures (ratio of inputs to outputs), and outcomes (the actual results of programs and services).

Recommendation: Assign staff to identify additional performance measures and establish processes to obtain the data required and periodically report the results.

OSCEOLA COUNTY RESPONSE: While the County does concur with the finding of met for subtasks 4.1 and 4.3, Osceola County does not concur on the overall assessment on Task 4 of partially meeting Department goals and objectives. This is because we do not concur with the finding of not met for Subtask 4.2. Considering funding availability we may consider assigning a staff person or developing additional measures, but we feel that we overall meet the requirements of this Task.

Osceola County includes a robust analysis of the County's Goals and Objectives in its annual Adopted Budget Book. The proposed budget is discussed at two public hearings of the Board of Osceola County Commissioners, which are broadcasted live, during the budget adoption process and subsequently posted on the homepage of the County's website, www.Osceola.org, for instantaneous public review. In addition, the Adopted Budget Book is posted on the County's website. The Adopted Budget Book is provided in an easy-to-read narrative format, and includes detailed information for each Department on accomplishments achieved and planned, specifically in support of the County's stated Goals and Objectives.

For example, in support of the County's overall goal to "Upgrade the Infrastructure and Transportation Network", Transportation & Transit reported that it completed the design review and construction of 15 traffic signals in FY 2018, and plans to complete the design review and construction of 20 traffic signals in the coming year.



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Similarly in support of the "Upgrade the Infrastructure and Transportation Network" objective, Road and Bridge reported that it chip sealed approximately 7 miles of unpaved roads in 2018. This year, the Department has budgeted to chip seal approximately 10 miles of unpaved roads.

The audit report did highlight numerous similar performance measurements regarding transportation improvement efforts in other areas of the audit report. For example, Osceola County's Road and Bridge Department Quarterly Report (Figure 1-5) details a multitude of performance measures and achievements. Osceola County provided the information in several formats, while these formats may not be the same as what is used by other local governments the information is as valid and as useful however, the County will evaluate the recommendation made by the auditors for this subtask and determine how the performance measures could be made clearer.

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

Finding Summary: Overall Osceola County's Transportation & Transit and Public Works Departments **partially meet** Task 5.

Research Subtask 5.1 Finding: The County does not have clear responsibility assignments to determine which departments and position(s) are accountable for ensuring financial and non-financial data is available to the public.

The County has placed less attention on maintaining an up-to-date website. Instead, more focus has been on disseminating information through the use of social media, print media (news releases), and digital (television) media systems, which is "real time." Outdated information might be unreliable and therefore, may be perceived by the public as inaccurate and untimely, which often creates a lack of trust from the users of the data.

Recommendation: Assign a management team member with the responsibility for ensuring that public information is routinely reviewed and updated and establish a clear process to ensure data is useful, correct, and up-to-date.

OSCEOLA COUNTY RESPONSE: We concur with the finding and recommendation in Subtask 5.1. Although the County does believe that financial information in the form of the Comprehensive Annual Financial Report, which includes the financial statements, trends in finances and operating data and compliance reports; Budget Presentations provided during recorded Board of County Commission meetings; Budget Resolutions; and, the Adopted Budget Book are consistently provided timely and accurately to the public, we concur there are other areas on the County's website that could also be used to provide additional financial and non-financial information to the public.



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The County is developing a formalized procedure to identify an annual schedule for when departments will be prompted to review their sections of the website or social media channels. The Procedure notes that the Directors for the Information Technology (IT) Department and Communications Department are responsible for ensuring the information on the website is accurate and up-to-date. In addition to the annual schedule, the procedure identifies activities/events/changes which will trigger an immediate update. Each Department will submit their recommended changes to the Communications Department. That team will review and edit for content, messaging and accuracy. Once approved, the IT Department will publish the content within the timeframe established by the procedure. Additionally, the County has formally engaged the services of a vendor to review the County's entire website in order to identify areas on the website that could be revised to ensure there is consistent and relevant information provided to the public.

Research Subtask 5.2 Finding: Although the Communications and Information Technology Departments prepare analytics reports to measure the County's website traffic, page views, length of time a user views a specific page, and gauges user perceptions of the website, this data does not evaluate the accuracy or adequacy of data. Additionally, while there is a Live Chat link on the website for users to provide suggestions for improving the quality of information, this process is not sufficient to ensure that information is regularly evaluated for adequacy and accuracy.

Recommendation: Establish data quality standards and implement a formal evaluation process (report) that addresses the adequacy and accuracy of information provided to the public and communicate these standards and evaluation results to all positions responsible for developing public documents.

OSCEOLA COUNTY RESPONSE: We concur with the finding and recommendation in Subtask 5.2. The County is developing a formalized procedure which outlines criteria for data quality standards and ensures a formal evaluation of the content is performed annually. The results of the content review will be shared with the Communications Department to ensure data quality standards are being met. Additionally, the procedure will also prescribe corrective actions which shall be immediately taken when erroneous content is identified.

Research Subtask 5.3 Finding: The County makes program budget and cost information available on its website and in the Five-Year Capital Improvement Program document. No program performance information was located on the website.

Recommendation: The County should, when practical, make performance data and metrics accessible to the public.



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OSCEOLA COUNTY RESPONSE: We partially concur with the finding and recommendation in Subtask 5.3. As noted in our response to 4.2, Osceola County includes a robust analysis of the County's Goals and Objectives in its annual Adopted Budget Book. The Adopted Budget Book is posted on our website and this information is provided in an easy-to-read narrative format, and includes detailed information for each Department on accomplishments achieved and planned, specifically in support of the County's stated Goals and Objectives. However, this is an annual process and does not provide more immediate information on the status of programs/projects.

The County does have an additional tool available that will provide accurate and up-to-date performance data and metrics to the public for projects through the Executive Dashboard Project Center located on the County's website. The County is developing a formalized procedure which assigns responsibilities to a designated position to review and monitor project performance data and help ensure it is regularly reviewed and updated, no less frequently than once a month.

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

Finding Summary: Overall Osceola County's Transportation & Transit and Public Works Departments **meet** Task 6.

OSCEOLA COUNTY RESPONSE: Concur with the finding for Task 6. Osceola County takes great pride in delivering **ALL** projects in compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.

In closing, thank you to the McConnell & Jones team for taking the time and effort to conduct this Performance Audit of Osceola County. Please know that we will thoughtfully consider your comments and immediately make improvements as a result of the final audit.

Sincerely,

Donald S. Fisher
Osceola County Manager

/DF/is