

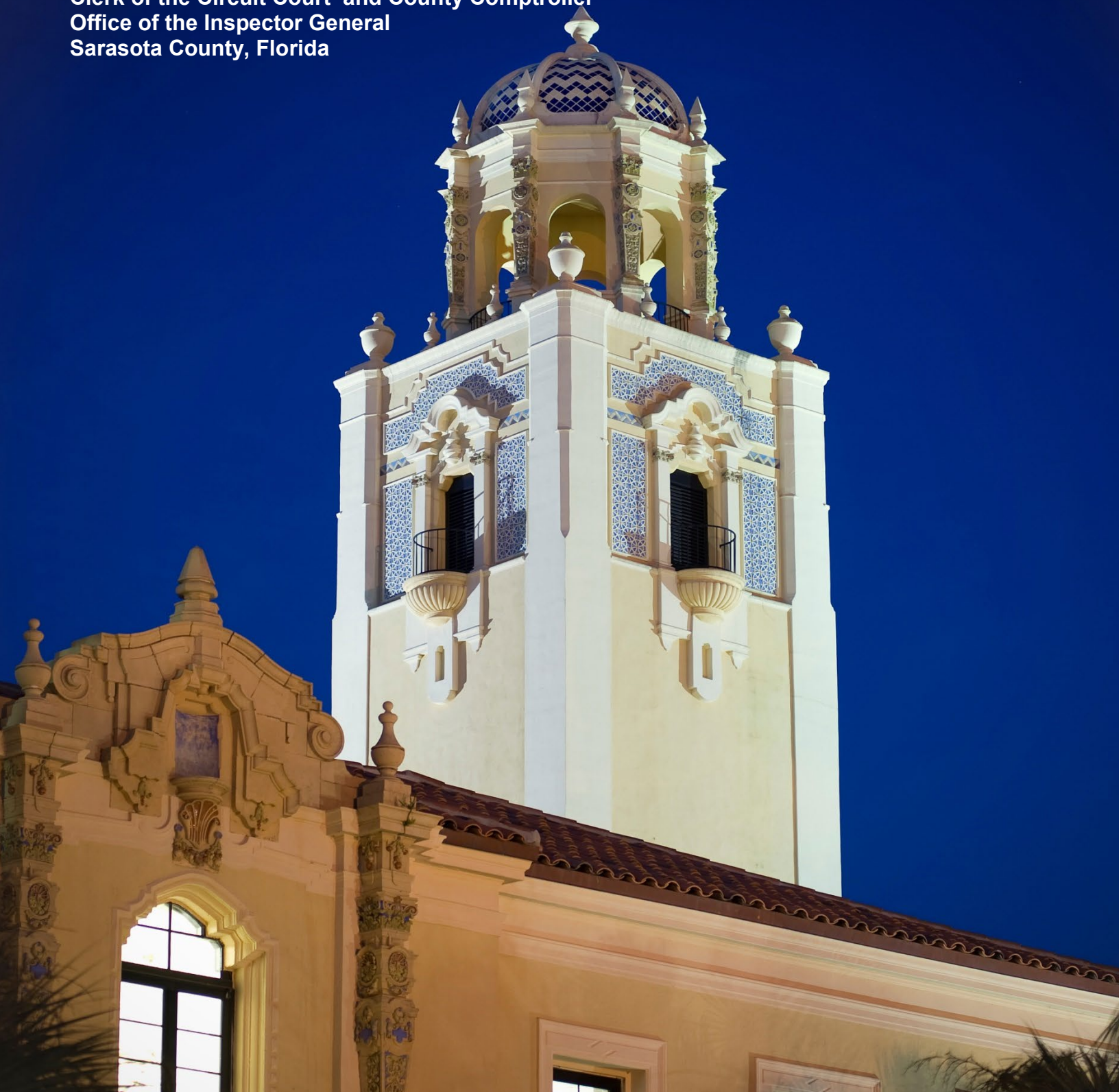
FOLLOW-UP OF SCAT TRANSPORTATION DISADVANTAGED GRANT PROGRAM

October 2022

Original audit report issued October 2019



Karen E. Rushing
Clerk of the Circuit Court and County Comptroller
Office of the Inspector General
Sarasota County, Florida



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AUDIT SERVICES

David Beirau, CFE, CIG, CIGA, CIGI, CGI

Director of Internal Audit and Inspector General

Auditor

Sofya Bogdanova, CIGA, CIGI, CFE

Internal Auditor/Investigator

Please address inquiries regarding this report to David Beirau, by e-mail at dbeirau@scgov.net or by telephone at (941) 861-5280. This and other reports prepared by the Office of the Inspector General are available at <http://www.sarasotaclerk.com/inspector-general/inspector-general-audit-reports>.



EXECUTIVE SUMMARY

As a part of Annual Audit Plan, the Clerk of Circuit Court and County Comptroller's Internal Audit Department and Office of the Inspector General conducted a Follow-up Audit of SCAT Transportation Disadvantaged Grant Program. The purpose of the audit was to evaluate the steps taken to address the observations reported in the original audit report and subsequent corrective actions taken by the responsible management.

The original audit detected issues of non-compliance with the policies and procedures regarding the following: ride services provided to noncertified clients, lack of monitoring and retention of client applications, insufficient supporting documentation and approvals for reimbursement requests, non-compliance with the Office of Financial Management Grant Policy and Procedures Manual, non-compliance with the Commission for Transportation Disadvantaged Invoicing Procedures. Since the original audit, policies and procedures have been updated and improved to include monitoring and retention of client applications, enhanced the process for SCAT Transportation Disadvantaged Grant Eligibility Requirements, sufficient supporting documentation collection and Grants Billing process. While updated policies and procedure and enhanced application process appears to have improved application process for SCAT Transportation Disadvantaged Grant, there are still detected issues of non-compliance with Department Standart Operating Procedures.

Lack of compliance with Department Standart Operating procedures could result in a violation of the grant agreement which can lead to reduced or discontinued state funding for the Transportation Disadvantaged Grant Program.



SUMMARY AND RESULTS

Background

The purpose of the October 2019 Audit of SCAT Transportation Disadvantaged Grant was to review compliance with applicable Florida Statutes, grant agreements, services plans, and policies and procedures as it specifically related to the transportation disadvantaged grant program. The scope of the audit included the time period of October 1, 2017 through September 30, 2018.

The original audit report concluded that Sarasota County SCAT Department appeared to have adequate controls in place to mitigate risks related to SCAT Transportation Disadvantaged Grant. In addition, Sarasota County SCAT Department appeared to be in compliance with applicable laws, resolutions and County policies and procedures. There were, however, opportunities to improve compliance with monitoring and retention of client information as it related to the Florida Commission for Transportation Disadvantaged Grant Agreement as detailed in the Opportunities for Improvement section of the original audit report.

Objectives

The objectives of this follow-up audit was to evaluate the observations reported on the Audit of SCAT Transportation Disadvantaged Grant Program audit report, dated October, 2019 and subsequent corrective actions taken by responsible management. This was achieved by providing independent, objective analysis as well as reasonable assurance that the previous concerns has been addressed and appropriate corrective measures implemented.

To meet the objective(s) of the follow-up audit, the following procedures were performed:

- Performed inquiries of the Sarasota County SCAT staff.
- Obtained an understanding of changes made to the Policies and Procedures since the original audit report date.
- Examined a random sample of SCAT scheduled rides related to Transportation Disadvantaged Grant for the October 1, 2019 through August 31, 2020.

Overall Results

Based on the results of our follow-up audit procedures, Sarasota Area County Transit has addressed the previous concerns and implemented appropriate corrective action on the conditions identified in the original audit report.

Open Conditions and Pending Corrective Action*

1. Ride Services provided to non-certified clients
2. Application Retention
3. Compliance with SOP #707: ADA/TD Eligibility

Open/Partially Completed Conditions and Pending Corrective Action*

4. Compliance with SOP #205: Transportation Disadvantaged Grant Billing.

Closed Conditions and Follow Up Results*

5. Compliance with OFM Grant Policy and Procedures Manual.
6. Compliance with CTD Invoicing Procedures

**The conditions above are categorized by the current status and are numbered to correlate with the original audit report's Opportunities for Improvement.*

Although six (6) *Opportunities for Improvement* remain open, this concludes the follow-up audit process as it relates to SCAT Transportation of Disadvantaged Grant Program.



OPEN CONDITIONS AND PENDING CORRECTIVE ACTION

Three of the six conditions identified in the original report remain open and continue to require management attention.

1. Ride Services Provided to Noncertified Clients.

Current Status, Follow-Up Audit dated October 2022:

A new SOP# 758 has been implemented by Sarasota County Area Transit on July 01, 2019 to replace the old SOP# 708. The new SOP #758 indicates that at least once every three years clients are required to be recertified to ensure eligibility. SOP#758 also states that mobility coordinator should routinely check files to ensure the accuracy and completeness of client files.

During the review of a 379 rides, 75 individual clients, auditor identified 6 individual client applicants with rides that happened outside the dates of their respected application. A total of 17 out of 379 rides took place outside the dates of the application.

Original Audit Observation, Report dated October 2019:

Chapter five of the Transportation Disadvantaged Services Plan states "Applications must be renewed every three years from the date of the original approval or last renewal date". Additionally, SOP #708: ADA/TD Recertification states "At least once every three years, clients are required to submit a new application to recertify their eligibility".

During the review of the 809 rides in the sample, the auditor identified 20 individual clients, a total of 168 rides or 21%, which were provided while the client was not certified. This equates to a total cost of \$5,255.35. A provision of the grant agreement is that SCAT provides a local match of 10% of project costs. As a result, SCAT was improperly reimbursed a total of \$4,729.82.

Original Recommendations, Report dated October 2019:

Develop and implement quality assurance processes to ensure client eligibility dates stored in the Trapeze application are correct and to ensure client eligibility is reviewed prior to scheduling a ride.

Management Action Plan:

In April 2022 the Trapeze software suite used for eligibility and data collection system was replaced with Mobility Direct (eligibility) and Via (dispatching and data reports). This required a complete update to processes and procedures. The migration to Mobility Direct has eliminated the requirement for paper applications for the TD service. Migration of eligibility data from Trapeze to Mobility Direct is ongoing and is being reviewed for final upload.

New Applications

This process required that new applications received after April 11, 2022, be entered into Mobility Direct for eligibility decisions and into Via to enable the client to schedule trips. This entry has been conducted in-house and all applications entered in Mobility Direct are recorded. Each week the clients entered in the Via database and the Mobility Direct database have been audited to identify errors in manual data entry into Via. As errors are identified, the records in Via are updated to match the data present in Mobility Direct.

Recertifications

Recertifications are identified by using the client database extracted from the Trapeze system. The database from Trapeze was exported weekly until May 22, 2022. At this time the Trapeze system was taken offline, and the final export serves as the source of record for all clients active before April 11, 2022. Recertifications are identified on a weekly basis for the upcoming 90 days and applications are mailed to the client. The date applications are mailed are kept in a log to ensure applications are presented twice. Clients that have not returned their recertification package are not input into the Mobility Direct system and will not be able to schedule trips. If the client contacts the Mobility Manager to inquire about their lapse of eligibility, the Mobility Manager has been given the authority to extend their current eligibility by 90 days to ensure the transition does affect their service. At the point the Mobility Direct database becomes the source of record for eligibility the requirements in SOP-743 TD RECERTIFICATIONS will take effect.

2. Application Retention.

Current Status, Follow-Up Audit dated October 2022:

A new SOP #756 was implemented by Sarasota County Area Transit on July 08, 2019. SOP #756 addresses Quality Assurance and implements several checks and balances ensure the record keeping is done in accordance with SCAT Transportation Disadvantaged Grant guidelines.

During the review of a 75 total client applications the auditor identified:

- 12 applications that were unable to located
- 22 applications that had incomplete or missing information such as income information or pages from hard copy application
- One client application that was missing applicants signature

- One client application that was missing medical professional assessment form and doctor's signature on application

Original Audit Observation, Report dated October 2019:

Before a client is eligible to receive a ride provided by the transportation disadvantaged grant funding the client must complete an eligibility application. Client applications must be recertified every three years in order for the client to continue utilizing ride services. A requirement of the grant agreement is that SCAT must retain client applications during the period of the agreement and for five years after final payment is made. Additionally, SOP #710 states medical records should be retained for six years.

Of the 184 paper applications requested 164 paper applications were located and reviewed. Therefore, SCAT was unable to locate 20 paper applications.

Original Recommendations, Report dated October 2019:

To ensure compliance with the grant agreement, SCAT should monitor future retention of applications and ensure applications are retained for the required time per the current grant agreement.

Management Action Plan:

The storage requirements in SOP-710 as indicated in the audit have been implemented into SOP-757 ADA/TD APPLICATION FILING. This standardizes the requirement that all documents will be held six years and then purged. With the implementation of the Mobility Direct eligibility system, files are all stored electronically and paper copies of applications and recertifications received after April 11, 2022, are not required. Beginning May 2028, we expect the storage of paper applications to be extinct.

SOP-756 APPLICATION QUALITY ASSURANCE has been replaced with SOP-761 APPLICATION QUALITY ASSURANCE. This updates the monitoring process for online and paper applications. This SOP will address the quality assurance findings for the remainder of the findings. This SOP is currently being reviewed for signature by the Director.

3. Compliance with SOP #707: ADA/TD Eligibility.

Current Status, Follow-Up Audit dated October 2022:

A newly SOP #751 ADA/TD Eligibility implemented on July 19,2019 has replaced SOP #707 previously used by Sarasota County Area Transit. New SOP #751 defines criteria for determining eligibility for clients applying for the SCAT Transportation Disadvantaged Grant program, including age verification, disability certification, and income verification.

SCAT informed auditor that they no longer required to collect documentation to approve income verification. Both Grant Agreement contract G1A61 and G1O29 indicate that an approved eligibility application for each rider who received services must be maintained by SCAT. Grant Agreement does not list income verification as a requirement for eligibility application. However, the income verification is still listed as the requirement in the newly implemented SOP #751.

After the review of a total of 75 hard copy paper applications the auditor identified a total of 22 applications non-compliant with the requirements of SOP #751. Of 22 applications:

- 20 applications were incomplete and missing wages information or pages from application
- one application was missing applicant signature
- one application was missing medical form and doctor's signature on application

Original Audit Observation, Report dated October 2019:

SOP #707 stipulates the criteria used to determine if an applicant is eligible for transportation disadvantaged services and requires that all transportation disadvantaged grant eligibility applications contain documentation to support age verification, disability certification, and income verification.

During review of the 164 located paper applications, the auditor identified 58 applications which are non-compliant with the requirements of SOP #707. Of the 58 applications:

- 19 applications do not have a signature on all required pages,
- 34 applications are noted on the paper application as TD and do not have wage information,
- 10 applications are missing a page,
- 6 applications are lacking essential information.

Additionally, SCAT is no longer collecting the documentation required by SOP #707 to approve income verification.

Original Recommendations, Report dated October 2019:

Develop and implement quality assurance processes to ensure that applications are reviewed prior to approval and are complete, contain necessary signatures, and contain required documentation.

Management Action Plan:

SOP-751 ADA/TD ELIGIBILITY that replaced SOP-707 has been updated and transitioned to SOP-740 TD ELIGIBILITY. The finding related to income verification focuses on the grant agreement

as the source of this requirement, which it is not. The eligibility requirements for TD eligibility are mandated in the TD Trust Fund Eligibility Criteria adopted May 22, 1997.



OPEN/PARTIALLY COMPLETED CONDITIONS AND PENDING CORRECTIVE ACTION

4. Compliance with SOP #205: Transportation Disadvantaged Grant Billing.

Current Status, Follow-Up Audit dated October 2022:

SOP #205 was updated in January of the year 2020 which eliminated the requirement for submitting the reimbursement request within the 15 days following the reimbursement month and was replaced by requirement to submit the reimbursements after the paratransit vendor was paid. However, SOP #205 states that reimbursement requests are to be completed monthly and include trips provided during the previous month.

Out of 6 monthly grant billing invoices tested, the auditor identified 4 where Grant Billing invoiced were not submitted monthly as indicated in SOP #205 or within the 30 day recommended in the Grant Agreement contract G1A61 and G1O29 period. Auditor noted that two out of 4 invoice submitted 9 and 10 days after recommended 30 day period and two invoices 31 and 35 days after the 30 day recommended period. While reviewing the reimbursement requests, the auditor also noted one request where invoice for the following month (for August 2020) was processed five days prior to the invoice for the previous month (for July 2020).

During the review of 6 sampled grant billing invoices the auditor noted that all grant billing invoices had proper documented approval as required by SOP#205.

Original Audit Observation, Report dated October 2019:

SOP #205 requires the billing process to be completed on the 15th of each month, or the following Monday for the previous month's performed trips. Exhibit B of the grant agreements suggest that the Grantee should make every effort to submit invoices within 30 days after the month of service provision.

Additionally, SOP #205 requires a reimbursement request to be submitted to the Fiscal Program Manager for review and approval prior to submission to the Florida Commission for Transportation Disadvantaged (FLCTD).

During review of the 12 reimbursement requests, the auditor identified:

- Four reimbursement requests which were submitted after the 15th of the month,
- Six reimbursement requests which were submitted after 30 days,
- Seven reimbursement requests which lacked documented approval,
- Five reimbursement requests which were approved by someone other than the Fiscal Program Manager.

Original Recommendations, Report dated October 2019:

Develop and implement quality assurance processes to ensure that reimbursement requests are completed in a timely manner, and that all requests contain a documented approval in the grant master file, prior to submission to FLCTD.

Management Action Plan:

SOP-205 TRANSPORTATION DISADVANTAGED GRANT BILLING is in the process of being reviewed and updated to meet current realities in the billing process. These changes address the findings associated with the billing time-frame inconsistencies and clarifies the approval process prior to submission to the TD Grant for reimbursement.

The updated SOP-205 TRANSPORTATION DISADVANTAGED GRANT BILLING updates the current requirement for the billing process to be complete by the 15th of the month to within 30 days of vendor's invoice payment. This requirement is based on clarification from the Commission for the Transportation Disadvantaged that Sarasota County can not bill the TD Grant for trips that have not been paid for. Vendor submittal dates and invoice issues and corrections dictate the date on which vendors are paid.

The approval process of the reimbursement invoices has been modified to include a dual verification check before submittal and broadens the pool of available individuals to approve and submit the invoice. Invoices are created by staff in the finance office and are reviewed by the Finance Manager or Supervisor, who will then submit or provide direction to submit the invoice for the TD Grant.



CLOSED CONDITIONS AND FOLLOW UP RESULTS

5. Compliance with OFM Grant Policy and Procedures Manual.

Current Status, Follow-Up Audit dated October 2022:

Revised SOP #205 states that the SCAT Fiscal Manager or designee that conducted the review of the Reimbursement Invoice will document such Review by adding a column with formula to calculate pick up/drop off time to ensure the calculations don't result in (###) which means, the trip is either too long, too short, or resulted in zero. If this occurs, the reviewer sends the report to the originator for corrections. The SCAT Fiscal Supervisor or designee will submit the Reimbursement Invoice via email to FLCTD@dot.state.fl.us

All 6 monthly grant billing invoices tested had consistent, correct and accurate back up documents stored in grant master file. Auditor also noted that proper review and approval was documented by the reviewer.

Original Audit Observation, Report dated October 2019:

The Office of Financial Management (OFM) grant policy and procedures manual stipulates that the Grant Manager is responsible for ensuring all reimbursement requests are complete, accurate, and submitted to the Granting Agency in a timely manner. Additionally, the Grant Manager is responsible for providing the OFM grants team with a complete copy of the reimbursement request for review and inclusion in the official document imaging system grant master file.

During the review of the 12 reimbursement requests, the auditor identified 6 instances where the reimbursement request stored in the grant master file is inconsistent with the final version

Original Recommendations, Report dated October 2019:

Develop and implement a monitoring process to ensure that reimbursement requests are updated in the official document imaging system upon approval from the FLCTD.

6. Compliance with CTD Invoicing Procedures.

Current Status, Follow-Up Audit dated October 2022:

Revised SOP #205 states that reimbursement request cannot be compiled until finalization of the manifest data entry and all of the edits are completed.

Auditor tested a total of 6 reimbursement requests and identified that all 6 invoice requests were submitted with the invoice and detailed back-up documentation that align with the Grant Agreement contract G1A61 and G1O29 and as required by newly revised SOP #205.

Original Audit Observation, Report dated October 2019:

Section 1.04 of the Commission for the Transportation Disadvantaged Invoicing Procedures states that the invoice workbook should consist of a CTD Trip Invoice Form, Trip Summary Data Report, and Detailed Trip Data Reports. Section 1.2 relates to the Trip Summary Data Report and states that "This report must be submitted with the invoice and detailed back-up documentation in order for the invoice to be processed by the Commission. Data provided on this form must match data provided on the back-up documentation."

During the review of the 12 reimbursement requests, the auditor identified 2 instances where the reimbursement request contained a discrepancy between the supporting documentation and the Trip Summary Data Report. Additionally, the auditor identified 2 instances where the reimbursement request stored in the grant master file lacked the required supporting documentation.

Original Recommendations, Report dated October 2019:

Develop and implement a monitoring process to ensure that reimbursement requests are accurate and contain all required supporting documentation.



APPENDIX A

Following is the original *Audit of SCAT Transportation of Disadvantaged Grant Program* dated October 2019.

