



CHIEF FINANCIAL OFFICER
BLAISE INGOGLIA
STATE OF FLORIDA

September 30, 2026

Jared W. Perdue, Secretary
Florida Department of Transportation
605 Suwannee Street
Tallahassee, Florida 32399

Dear Secretary Perdue,

As authorized in sections 17.03 and 287.136, Florida Statutes (F.S.), the Department of Financial Services, Division of Accounting and Auditing, Bureau of Auditing, has conducted a follow-up audit of the contract management and monitoring report, report number 2025-03, issued to the Department of Transportation (the Department). Our follow-up audit covered the period of July 1, 2025, through June 30, 2026.

Objectives and Methodology

The objective of this review was to determine whether the Department implemented any of the recommendations stated in report number 2025-03 regarding contract deliverables and monitoring efforts. The Department is responsible for the procurement, contract management, and monitoring of all Department contracts. Our audit population included Standard Two-Party Agreements and Grant Disbursements that were active and closed during the audit period. Our population included 241 contracts totaling \$106.9 million.

Summary of Recommendations

Based on our review, the implemented internal controls at the Department for contract management and monitoring processes are adequate, except for a few areas noted during our review where improvement should be considered. Please note, this audit was performed for the Fiscal Year (FY) 2025/2026; therefore, the policies, procedures, statutes, and Chief Financial Officer (CFO) Memoranda that were active during FY 2025/2026 were utilized during this audit. Historical CFO Memoranda are not available on the CFO's website; however, they can be provided upon request. The Department should utilize the current policies, procedures, statutes, and CFO Memoranda going forward. We recommend the Department take the following actions:

- Ensure the Department is in compliance with CFO Memorandum Number (No.) 5, by establishing and maintaining a formal monitoring process that includes oversight monitoring procedures, an annual Risk Assessment and Monitoring Plan. The Department should also implement a monitoring tool to demonstrate the monitoring efforts performed by the contract manager.

FLORIDA DEPARTMENT OF FINANCIAL SERVICES
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Division of Accounting and Auditing
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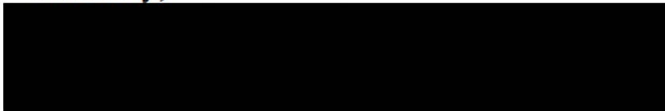
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- Ensure the Department is in compliance with CFO Memorandum No. 4, by establishing contract and grant management procedures that contain provisions to sufficiently document the steps contract and grant managers must perform.

These improvements will ensure contract management and monitoring efforts and the maintenance of documentation are properly performed.

We appreciate the support and courtesy extended to our audit team. Completed reports of the Bureau of Auditing are available at <https://www.myfloridacfo.com/division/aa/audits-reports>. If you have any questions, please contact Ms. Kim Holland, Bureau Chief, at (850) 413-5700 or Kim.Holland@myfloridacfo.com.

Sincerely,



Renée Hermeling, Director

RH/avg

- c. Kris Sullivan, Inspector General
Lisa Wilkerson, Deputy Comptroller