



Follow-up Review of  
Audit of the Agreement with  
Keolis Transit Services, LLC. for Shuttle Bus  
and Other Transportation Services at  
the Fort Lauderdale-Hollywood  
International Airport

Office of the County Auditor

Follow-up Review

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County Auditor

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**Report No. 25-05**  
**December 19, 2024**



**OFFICE OF THE COUNTY AUDITOR**

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December 19, 2024

Honorable Mayor and Board of County Commissioners

We have conducted a Follow-up Review of the Audit of the Agreement with Keolis Transit Services, LLC. for Shuttle Bus and Other Transportation Services at the Fort Lauderdale-Hollywood International Airport (Report No. 22-07). The objective of our review was to determine the implementation status of our previous recommendations.

We conclude that of the 18 recommendations in the original report, 17 recommendations were implemented and one was not applicable. We commend management for the implementation of our recommendations. The status of each of our recommendations is presented in this follow-up report.

Please be advised that the information presented herein is not considered an audit in accordance with Generally Accepted Governmental Auditing Standards. Had we conducted an audit, we may have identified additional findings and concerns.

We appreciate the cooperation and assistance provided by Broward County Aviation Department staff throughout our review process.

Respectfully submitted,

A handwritten signature in blue ink that reads "Bob Melton".

Bob Melton  
County Auditor

cc: Monica Cepero, County Administrator  
Andrew Meyers, County Attorney  
Dr. Kimm Campbell, Deputy County Administrator  
Michael Ruiz, Assistant County Administrator  
Mark Gale, CEO/Director, Aviation Department  
Michael Nonnemacher, Chief Operating Officer, Aviation Department

# TABLE OF CONTENTS

IMPLEMENTATION STATUS SUMMARY .....	1
INTRODUCTION .....	5
Scope and Methodology .....	5
Overall Conclusion .....	5
OPPORTUNITIES FOR IMPROVEMENT .....	6
1. Driver Records Should Have Consistently Complied With the Contract Requirements.....	6
2. In-Service Hours Billed to the County by Keolis Should have been Accurately and Properly Supported.....	7
3. Keolis Should have Consistently Complied with Insurance Requirements as Specified in the Agreement. ....	8
4. Mechanics Should have been Qualified to Provide Maintenance of Vehicles as Required by the Agreement. ....	9
5. Signed and Notarized Copies of Exhibit C - Statement of Compliance and Exhibit E - Certification of Payments Should have been Provided by the Contractor to Support Invoices Billed.....	10

# IMPLEMENTATION STATUS SUMMARY

## Implementation Status of Previous Recommendations From the Audit of the Agreement With Keolis Transit Services, LLC. for Shuttle Bus and Other Transportation Services at the Fort Lauderdale-Hollywood International Airport

Rec. No.	PREVIOUS RECOMMENDATION	IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
1.A.1	We recommended management ensure bus drivers obtain Customs and Border Protection decal/clearance.	✓			
1.A.2	We recommended management ensure Keolis Transit Services, LLC (Keolis)'s tram drivers comply with driver requirements or, if determined by Airport management that the current requirements are not appropriate for all drivers, revise the Agreement to establish separate requirements for tram and bus operators.	✓			
1.B	We recommended management, if appropriate, revise the Agreement to address ambiguities regarding requirements for Broward County Chauffeur's Registration in compliance with the Chapter 22 ½ - Motor Carriers of the Broward Code of Ordinances.	✓			

Follow-up Review of the Audit of the Agreement with Keolis Transit Services, LLC. for Shuttle Bus and Other Transportation Services at the Fort Lauderdale-Hollywood International Airport

Rec. No.	PREVIOUS RECOMMENDATION	IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
1.C	We recommended management ensure Keolis performs periodic reviews of the driving records compiled by the Department of Motor Vehicles of the State of Florida for operators assigned to the Agreement at the Fort Lauderdale-Hollywood International Airport (FLL Airport).	✓			
1.D	We recommended management ensure Keolis complies with requirements of the Agreement by performing 10-year background verifications for new hires and employees assigned to the FLL Airport.	✓			
2.A	We recommended management ensure Broward County Aviation Department (BCAD) obtains reimbursement of the overbilled amount of \$2,790.	✓			
2.B	We recommended management ensure, for future invoices, Keolis performs quality assurance reviews of the Driver's Vehicle Inspection Reports (DVIRs) and supporting spreadsheets to ensure data entries accurately reflect billable service hours.	✓			
2.C	We recommended management ensure invoices submitted by Keolis are properly reviewed prior to payment.	✓			
2.D	We recommended management ensure supporting documentation of revenue hours is properly completed to include the employees' first and last names.	✓			

Follow-up Review of the Audit of the Agreement with Keolis Transit Services, LLC. for Shuttle Bus and Other Transportation Services at the Fort Lauderdale-Hollywood International Airport

Rec. No.	PREVIOUS RECOMMENDATION	IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
<b>3.A</b>	We recommended management ensure Certificates of Insurance for Keolis and its subcontractors include the required 30-day written notice of cancellation.	✓			
<b>3.B</b>	We recommended management ensure Certificates of Insurance for Keolis and its subcontractors are provided on a timely basis to the Contract Administrator.	✓			
<b>3.C</b>	We recommended management ensure Certificates of Insurance for Keolis and its subcontractors list Broward County as a certificate holder/additional insured.	✓			
<b>3.D</b>	We recommended management ensure Certificates of Insurance for Keolis and its subcontractors provide for workers' compensation coverage, if applicable, as required by the Florida Statutes.	✓			
<b>3.E</b>	We recommended management ensure Certificates of Insurance for Keolis and its subcontractors require General Liability coverage to be on the "occurrence" basis only.	✓			
<b>4.A</b>	We recommended management require Keolis to ensure Mechanics obtain the Automotive Service Excellence (ASE) transit bus technician certifications required by the Agreement or have the equivalent training and experience approved by the Contract Administrator in writing.				✓

Follow-up Review of the Audit of the Agreement with Keolis Transit Services, LLC. for Shuttle Bus and Other Transportation Services at the Fort Lauderdale-Hollywood International Airport

Rec. No.	PREVIOUS RECOMMENDATION	IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
<b>4.B</b>	We recommended management revise the Agreement to establish hiring requirements for the Maintenance Manager.	✓			
<b>5.A</b>	We recommended management ensure that Keolis provides signed and notarized copies of Exhibit C and Exhibit E to support Request for Payment (invoice).	✓			
<b>5.B</b>	We recommended management ensure that required documents are submitted by Keolis prior to BCAD’s approval for payment.	✓			

# INTRODUCTION

## **Scope and Methodology**

The Office of the County Auditor conducts audits of Broward County's entities, programs, activities, and contractors to provide the Board of County Commissioners, Broward County's residents, County management, and other stakeholders unbiased, timely and relevant information for use in promoting government accountability and stewardship and improving government operations.

We conducted a Follow-up Review of our Audit of the Agreement with Keolis Transit Services, LLC. for Shuttle Bus and Other Transportation Services at the Fort Lauderdale-Hollywood International Airport (Report No. 22-07). The objective of our review was to determine the implementation status of previous recommendations for improvement.

Please be advised that the information presented herein is not considered an audit in accordance with Generally Accepted Governmental Auditing Standards. Had we conducted an audit, we may have identified additional findings and concerns.

Our follow-up review included such tests of records and other review procedures, as we considered necessary in the circumstances. The review period was January 1, 2024, to November 30, 2024. However, transactions, processes, and situations reviewed were not limited by the review period.

## **Overall Conclusion**

We conclude that of the 18 recommendations in the original report, 17 recommendations were implemented and one was not applicable. The status of each of our recommendations is presented in this follow-up report.

# OPPORTUNITIES FOR IMPROVEMENT

This section reports actions taken by management on the Opportunities for Improvement in our previous audit. The issues and recommendations herein are those of the original audit, followed by the status of the recommendations.

## **1. Driver Records Should Have Consistently Complied With the Contract Requirements.**

During the previous audit, we noted that some driver records did not comply with the requirements of the Agreement. We previously reviewed a sample of ten drivers, six were hired prior to, and four were hired after the effective date of the current Agreement. Our previous review found the following:

- A. One driver sampled did not possess the required Customs and Border Protection decal/clearances and three tram drivers had regular instead of the Commercial Driver Licenses as required. The tram drivers also did not have Ramp Driving Endorsements and Customs and Border Protection decal/clearances.
- B. All 10 drivers did not have Broward County Chauffeur's Registrations as required by the Agreement.
- C. Six of the drivers sampled were hired between 2012 and 2017, prior to the start of the Agreement, and our review of their records indicated Keolis failed to perform periodic reviews of their driving records to ensure ongoing compliance with the terms of the Agreement.
- D. Keolis performed employment background verifications that covered a 7-year period (prior to providing services at FLL), not a 10-year period, as required by the Agreement. Further, for drivers that were hired prior to the effective date of the Agreement, we requested but were not provided any documentation that showed if the contractor evaluated whether the drivers met the current background verification requirements.

**We recommended** management:

- A.1 Ensure bus drivers obtain Customs and Border Protection decal/clearance.

Follow-up Review of the Audit of the Agreement with Keolis Transit Services, LLC. for Shuttle Bus and Other Transportation Services at the Fort Lauderdale-Hollywood International Airport

- A.2 Ensure Keolis's tram drivers comply with driver requirements or, if determined by Airport management that the current requirements are not appropriate for all drivers, revise the Agreement to establish separate requirements for tram and bus operators.
- B. If appropriate, revise the Agreement to address ambiguities regarding requirements for Broward County Chauffeur's Registration in compliance with the Chapter 22 ½ - Motor Carriers of the Broward Code of Ordinances.
- C. Ensure Keolis performs periodic reviews of the driving records compiled by the Department of Motor Vehicles of the State of Florida for operators assigned to the Agreement at the FLL Airport.
- D. Ensure Keolis complies with requirements of the Agreement by performing 10-year background verifications for new hires and employees assigned to the FLL Airport.

**Implementation Status:**

- A.1 **Implemented.**
- A.2 **Implemented.**
- B. **Implemented.**
- C. **Implemented.**
- D. **Implemented.**

**2. In-Service Hours Billed to the County by Keolis Should have been Accurately and Properly Supported.**

During the previous audit, we found that the County overpaid Keolis approximately \$2,790 for In-Service hours and supporting documentation for the invoices was incomplete and inaccurate. Specifically, we previously identified overlapping time entries, incorrect bus numbers, and errors in calculation of total hours in the supporting spreadsheets. Also, we previously found incomplete time stamps on the Driver's Vehicle Inspection Reports (DVIRs), missing DVIRs, and incomplete names of some operators on supporting documentation.

Follow-up Review of the Audit of the Agreement with Keolis Transit Services, LLC. for Shuttle Bus and Other Transportation Services at the Fort Lauderdale-Hollywood International Airport

**We recommended** management ensure:

- A. BCAD obtains reimbursement of the overbilled amount of \$2,790.
- B. For future invoices, Keolis performs quality assurance reviews of the DVIRs and supporting spreadsheets to ensure data entries accurately reflect billable service hours.
- C. Invoices submitted by Keolis are properly reviewed prior to payment.
- D. Supporting documentation of revenue hours is properly completed to include the employees' first and last names.

**Implementation Status:**

- A. **Implemented.**
- B. **Implemented.**
- C. **Implemented.**
- D. **Implemented.**

**3. Keolis Should have Consistently Complied with Insurance Requirements as Specified in the Agreement.**

During the previous audit, we found that Keolis and five of the six subcontractors reviewed did not consistently comply with the insurance requirements as specified in the Agreement. We previously reviewed the Certificates of Insurance (COI) for compliance with Article 6 of the Agreement and noted the following:

- A. Sixteen insurance certificates for Keolis and four subcontractors did not include provisions for the 30-day written notice of cancellation.
- B. Neither Keolis nor the Contract Administrator appeared to have thirteen COIs for four subcontractors on file at the time of our requests. The thirteen COIs submitted later appeared to be copies recently obtained from the insurance companies, dated after our requests.
- C. Two insurance certificates for two subcontractors did not name Broward County as the additional insured/certificate holder.
- D. One subcontractor did not have workers' compensation coverage required by the Agreement.

Follow-up Review of the Audit of the Agreement with Keolis Transit Services, LLC. for Shuttle Bus and Other Transportation Services at the Fort Lauderdale-Hollywood International Airport

- E. The 2020 - 2021 insurance certificate for a subcontractor showed General Liability coverage with both "Claims-Made" and "Occurrence" boxes checked instead of the "occurrence" basis as required in the Agreement.

**We recommended** management ensure Certificates of Insurance for Keolis and its subcontractors:

- A. Include the required 30-day written notice of cancellation.
- B. Are provided on a timely basis to the Contract Administrator.
- C. List Broward County as a certificate holder/additional insured.
- D. Provide for workers' compensation coverage, if applicable, as required by the Florida Statutes.
- E. Require General Liability coverage to be on the "occurrence" basis only.

**Implementation Status:**

- A. **Implemented.**
- B. **Implemented.**
- C. **Implemented.**
- D. **Implemented.**
- E. **Implemented.**

**4. Mechanics Should have been Qualified to Provide Maintenance of Vehicles as Required by the Agreement.**

During the previous audit, we noted the Agreement included specific certification requirements for mechanics providing services under this Agreement. We previously reviewed files for two Mechanics and one Maintenance Manager utilized by Keolis under this Agreement and noted the following:

- A. The Mechanics did not have Automotive Service Excellence (ASE) certifications relating to transit buses, were not certified by an accredited trade school as transit bus technicians, did not have at least three ASE certificates of competence in transit bus maintenance or were not evaluated for equivalent training or experience, and did not receive the written Contract Administrator's approval.

Follow-up Review of the Audit of the Agreement with Keolis Transit Services, LLC. for Shuttle Bus and Other Transportation Services at the Fort Lauderdale-Hollywood International Airport

- B. The Agreement did not establish qualification requirements for the Maintenance Manager.

**We recommended** management:

- A. Require Keolis to ensure Mechanics obtain the ASE transit bus technician certifications required by the Agreement or have the equivalent training and experience approved by the Contract Administrator in writing.
- B. Revise the Agreement to establish hiring requirements for the Maintenance Manager.

**Implementation Status:**

- A. **Not applicable.** BCAD removed the ASE transit bus technician certification requirements in the Seventh Amendment to the Agreement executed on May 21, 2024. BCAD staff stated that such change aligns with the current requirements for the Transit Mechanics established by the Broward County Transit.
- B. **Implemented.**

**5. Signed and Notarized Copies of Exhibit C - Statement of Compliance and Exhibit E - Certification of Payments Should have been Provided by the Contractor to Support Invoices Billed.**

During the previous audit, we noted that Keolis did not submit notarized copies of Exhibit C - Statement of Compliance (Prevailing Wage Rate Ordinance No. 83-72) and Exhibit E - Certification of Payments to Subcontractors and Suppliers with the October 2019 and August 2020 invoices reviewed.

**We recommended** management ensure that:

- A. Keolis provides signed and notarized copies of Exhibit C and Exhibit E to support Request for Payment (invoice).
- B. Required documents are submitted by Keolis prior to BCAD's approval for payment.

**Implementation Status:**

- A. **Implemented.**
- B. **Implemented.**