



Department of Environmental Protection Office of Inspector General

March 13, 2024

Report A-2324DEP-003

Audit of Purchase Orders C03AF5/BB0B67 for Site Assessment Activities with Fourtune 4, d/b/a Environmental Assessment and Consulting

INTRODUCTION

The Florida Department of Environmental Protection (Department) Office of Inspector General (OIG) conducted an audit of Division of Waste Management (Division) Petroleum Restoration Program (PRP) Agency Term Contract GC858 (ATC) and Purchase Orders C03AF5/BB0B67 (Purchase Orders) for Site Assessment Activities with Fourtune 4, d/b/a Environmental Assessment and Consulting (Contractor). This audit was initiated as a result of the OIG Annual Audit Plan for Fiscal Year 2023-2024.

AUDIT SCOPE, OBJECTIVES, AND METHODOLOGY

The scope of the audit included activities and financial records associated with the Purchase Orders for Site Assessment at Don L. Motors (Facility). The Purchase Orders were assigned to the Contractor and the scope may also include related purchase orders and activities for the Facility.

The objectives of the audit were to:

- Determine whether the Contractor complied with the requirements of the Purchase Orders and ATC;
- Determine whether approved payments were supported by documentation as required for the Schedule of Pay Items and deliverable completion, and;
- Evaluate management oversight of the Purchase Orders, Facility, and Contractor.

To achieve our audit objectives, our methodology included:

- Reviewing applicable statutes, regulations, and internal operating procedures.
- Reviewing the ATC and the Purchase Orders, including deliverables, invoices, and supporting documentation
- Interviewing appropriate Division staff and management regarding the processes and controls used in the procurement and contracting process.

BACKGROUND

The Inland Protection Trust Fund was created under Section 376.3071, Florida Statutes (F.S.), to provide funding for the Department to respond to incidents of inland contamination related to the storage of petroleum and petroleum products. In order to facilitate this, the Petroleum Restoration Program was implemented. PRP oversees state-funded environmental remediation cleanup activities for petroleum-based contamination that pose a threat to the public health, safety and welfare, water resources, and the environment caused by petroleum storage systems. It manages

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activities and contracts professional services necessary to prioritize, assess, and clean up contaminated facilities in accordance with Section 376.3071, F.S. These facilities are assigned Site Managers to manage all aspects of oversight for work performed. The Division utilizes Site Manager Standard Operating Procedures guides (SOPs) to assist Site Managers and other program staff with navigating PRP sites through the cleanup and closure process.

Per the Purchase Orders, the Contractor was selected to perform a Site Assessment at the Facility, located at 9333 NW 27th Ave., Miami, Florida. Site Management was conducted by the Miami-Dade Department of Regulatory and Economic Resources, Division of Environmental Resources Management (Local Program). Due to the State of Florida's switch from My Florida Marketplace (MFMP) to Ariba on Demand (AOD) for procurement, the Site Assessment work was divided between two Purchase Orders, MFMP Purchase Order BB0B67 and AOD Purchase Order C03AF5. Purchase Order BB0B67 was issued on May 11, 2022, and included one task, and Purchase Order C03AF5 was issued on July 25, 2022, and included two tasks (see tables below).

Purchase Order BB0B67		
Task	Deliverable Description	Total
1	Prepare an updated site-specific Health and Safety Plan (HASP) and submit the HASP to the Local Program/Site Manager for review and approval prior to fieldwork. The Contractor must review the current Site Access Agreement (SAA) prior to conducting fieldwork. Schedule Pre-Drilling Meeting, mobilize to site to conduct predrilling meeting. Obtain permits. Contingent funding in this task is only to be used to offset the cost for pay items associated with a Field Request for Change for any open task.	\$2,577.50
Total		\$2,577.50

Purchase Order C03AF5		
Task	Deliverable Description	Total
2	Contingent upon prior approval from the Department. Mobilize to the site to advance soil boring, collect soil samples and install shallow wells in locations depicted on attached Figure 1-Site Map, collect soil sample for Investigative-Derived Waste (IDW) characterization & disposal. Note that a Direct Push Technology (DPT) Combo is being used due to onsite space limitations. Mobilize to site to collect groundwater samples from select wells to include newly installed Monitoring Wells. Prepare an Interim Assessment Report.	\$11,041.11
3	Contingent upon Department prior approval. Mobilize to the site to dispose of any IDW generated (drums must be filled to a minimum of 75% and photos must be included). Prepare and submit a Supplemental Site Assessment Report prepared in accordance with CH. 62-780, Florida Administrative Code, (F.A.C.) Contingent funding in this task is only to be used to offset the cost for pay items associated with a Field Request for Change for any open task.	\$7,935.00
Total		\$18,976.11
Combined Total		\$21,553.61

The combined final cost estimate from the two Purchase Orders was \$21,553.61. Five Change Orders were submitted and approved: one during Purchase Order BB0B67 and four during Purchase Order C03AF5. An additional task, Task 4, was added to Purchase Order C03AF5 via

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Change Order 2, to be performed in between Tasks 2 and 3. A detailed description of each Change Order and associated costs are displayed below:

Change Order	Task	Description	Cost
BB0B67 Change Order 1	1	Request to extend the due date for the Task 1 deliverable due to driller backlog and permit delays. Previous due date 6/15/2022, extended to 7/15/2022.	\$ 0
C03AF5 Change Order 1	2	Request to extend the due date for the Task 2 deliverable. Previous due date 8/15/2022, extended to 9/14/2022.	\$ 0
Change Order 2	4	Added a fourth Task to these Purchase Orders with the purpose of installing six additional monitoring wells to delineate Cumene and Polynuclear Aromatic Hydrocarbons (PAHs) in the groundwater. In order to complete this delineation, a number of additional pay items were needed, including: <ul style="list-style-type: none"> • Vehicle mobilization and a DPT rig • Well installation • Monitoring well sampling and lab tests for soil and water samples • Transport and disposal of petroleum impacted soil • Interim Assessment Report (deliverable) The due date for the deliverable for this added fourth task was set as 12/16/2022. Because Task 4 was completed prior to Task 3, the due date for the Task 3 deliverable was extended from 10/17/2022 to 1/30/2023.	\$ 10,249.16
Change Order 3	4	A Field Change Order. Request changes to one of the six wells requested in Change Order 2. This well installation required it to be drilled at an angle and have a pre-pack well screen, decreasing the footage requested in the well installation pay item (6-2.a.). An extension for the Task 4 and 3 deliverables were included in the Change Order, with Task 4 moving from 12/16/2022 to 1/18/2023 and Task 3 from 1/30/2023 to 3/2/2023. These deliverable extensions also affected the Period of Service end date, moving it from 3/31/2023 to 5/1/2023.	\$ (6.40)
Change Order 4	3	Request for an additional 30 days to complete the Task 3 deliverable Period of Service end date. Task 3 deliverable previous due date: 3/2/2023 and new due date: 4/3/2023. Previous Period of Service end date: 5/1/2023 and new end date: 6/2/2023.	\$ 0

There were five payments made and the combined final cost of the Purchase Orders with changes and the additional task accounted for was \$23,448.26.

Payment	Date Paid	Amount
1	August 2, 2022	\$1,148.20
2	October 20, 20200	\$10,104.16
3, Partial	January 31, 2023	\$185.25
4	February 9, 2023	\$9,043.15
3, Final	May 4, 2023	\$2,967.50
Total		\$23,448.26

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RESULTS OF AUDIT

During the audit, we reviewed documentation and records related to the Contractor’s completion of the deliverables, the subsequent invoices, payment disbursement, ATC and Purchase Order Requirements, Division SOPs, and any applicable laws and statutes. Based on our review we found the following:

Invoices

Schedule of Pay Items (SPI) and Allowed Rates

The Contractor’s Scope of Work is supported by detailed SPI that include project specific pay items, number of units, and negotiated item rates. SPI negotiated rates are based on the fixed rate schedule in Attachment D of the ATC and are updated throughout the course of the ATC via Amendments. We reviewed paid invoices for each task to identify SPI and amounts paid. We compared the amounts paid to the negotiated item price from Amendment 9 of the ATC to determine whether the amounts paid were allowable. Based on our review, the SPI amounts within the Purchase Orders were consistent with the ATC rates; however, some of the required supporting documentation was not submitted.

Required Documentation for SPI Invoicing

For each invoiced pay item, the Contractor is required to submit specific supporting documents (deliverables) as outlined in the SPI. The basis for establishing which documents are mandatory comes from the list of required documents per each pay item, which is provided by the Division in Attachment B – SPI and Other Related Documents. We compared each invoiced item to the SPI required documents under the Contract. Based on our review, we identified some SPIs that were included on the invoice, but not supported by the required documentation to demonstrate that the invoiced work had been completed. The total amount paid for SPI that lacked the required documentation during the course of these Purchase Orders was \$4,607.50. Specifically, we noted the following:

Task 1

Pay item	Description	Required Documentation	Units	Total Cost
3-1	Mobilization, Light Duty Vehicle (car or 1/2 ton truck) - ≤ 100 miles each way	Field notes – documenting vehicle type	2 [per Round Trip]	\$ 890.00
20-6	Scientist/Technical Specialist (Key)	Field notes and work performed in accordance with Scope	2 [per Hour]	\$ 157.50
			Total	\$ 1,047.50

Regarding pay item 20-6 above, PRP staff identified a person listed in the field notes as being the Scientist/Technical Specialist. However, the field notes do not identify this person as acting in the capacity of a Scientist/Technical Specialist. PRP Field Notes Guidance Documents state, at a minimum, the field notes should include, “the abbreviation of the applicable labor category (based on qualifications) should be listed behind the name of each field person.”

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Task 2

Pay item	Description	Required Documentation	Units	Total Cost
3-1	Mobilization, Light Duty Vehicle (car or 1/2 ton truck) - ≤ 100 miles each way	Field notes – documenting vehicle type	2 [per Round Trip]	\$ 890.00
3-9a	Drill Rig and Support Vehicles Mobilization (hollow stem auger, mud rotary or sonic) - ≤ 100 miles each way	Field notes – documenting vehicle type	1 [per Round Trip]	\$ 890.00
Total				\$ 1,780.00

Task 4

Pay item	Description	Required Documentation	Units	Total Cost
3-1	Mobilization, Light Duty Vehicle (car or 1/2 ton truck) - ≤ 100 miles each way	Field notes – documenting vehicle type	2 [per Round Trip]	\$ 890.00
3-9a	Drill Rig and Support Vehicles Mobilization (hollow stem auger, mud rotary or sonic) - ≤ 100 miles each way	Field notes – documenting vehicle type	1 [per Round Trip]	\$ 890.00
Total				\$ 1,780.00
Combined Total				\$ 4,607.50

IDW Samples and Required Documentation

Additionally, for Task 2, our review noted seven pay items that lacked the complete required documentation, specifically the updated tables (see table below). All these pay items were for laboratory analysis of samples. The laboratory analysis results appear on the lab reports, so it appears the tests were completed. The lab report records that these tests were conducted for the IDW samples; however, these results were not added to any of the tables in Attachment 1 of the deliverable.

Pay item	Description	Missing Documentation	Units	Total Cost
9-2 ¹	Soil, BTEX + MTBE (EPA 8021 or EPA 8260)	Updated tables	1 [per Sample]	\$ 45.36
9-11	Soil, Arsenic (EPA 6010 or EPA 6020)	Updated tables	1 [per Sample]	\$ 10.80
9-12	Soil, Cadmium (EPA 6010 or EPA 6020)	Updated tables	1 [per Sample]	\$ 10.80
9-13	Soil, Chromium (EPA 6010 or EPA 6020)	Updated tables	1 [per Sample]	\$ 10.80
9-14	Soil, Lead (EPA 6010 or EPA 6020)	Updated tables	1 [per Sample]	\$ 10.80
9-15	Soil, Toxicity Characteristic Leaching Procedure-Extraction Only (EPA 1311)	Updated tables	2 [per Sample]	\$ 56.50
9-41	Water, Lead, Total (EPA 200.7, EPA 200.8, EPA 6010 or EPA 6020)	Updated tables	1 [per Sample]	\$ 10.80

¹ For pay item 9-2, the lab report records that the IDW was tested for EPA 8260, but this result was not recorded on the updated tables. However, pay item 9-6 (Soil, Priority Pollutant Volatile Organics) requires that three soil borings also be tested for EPA 8260. Updates for EPA 8260 were made to the tables following the testing for 9-6 and correspond to the three soil boring samples, not the IDW.

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Regarding the requirements for testing and disposal of IDW, the ATC states, “Disposal/recycling [of petroleum contaminated waste] should be accomplished as soon as laboratory analyses indicate which disposal/recycling facility is appropriate.” The ATC further states that the laboratory analysis of IDW should be billed under the laboratory analysis pay items, which for this Purchase Order are 9-2, 9-11, 9-12, 9-13, 9-14, 9-15, and 9-41. Our review found an inconsistency regarding the required documentation for the laboratory analysis pay items when the laboratory analysis is conducted on IDW samples. The Required Documents tab of Attachment B specifies that many of the laboratory analysis pay items require updated tables to be included as a required document for invoicing. The tables of Attachment 1 of the Task 2 deliverable are where the laboratory analysis results of soil boring samples are recorded for the history of the entire site, and where the results of new laboratory analysis tests are updated. However, these tables only provide an area to record laboratory analysis results from soil boring samples, not IDW. The laboratory analysis of the IDW was not added to the tables in Attachment 1 of the deliverable, as required for these pay items per Attachment B, because there was no place for them on the tables.

Deliverables

We reviewed multiple aspects of the deliverables for each task, from the fieldwork notifications to payment to the Contractor. We noted some noncompliance in the areas of timeliness of deliverable submission and retainage forfeiture.

Regarding fieldwork notifications, the Purchase Orders state, “The Contractor must provide written notification (emails are acceptable) of field activities at least seven (7) calendar days prior to the commencement of work to all applicable parties.” Based on our review, the Contractor did not provide seven days of notice prior to fieldwork for Task 2 and did not update the Local Program on the decision to postpone a day of fieldwork for Task 4, from December 8 to December 9. In their response to these instances, the Local Program notified the Contractor of both infractions and adjusted the score on the CPE accordingly.

Task	Notification Date	Predicted Onsite Date	Actual Onsite Date	Time Elapsed
2	July 29, 2022	August 4, 2022	August 4, 2022	6 days
4	November 21, 2022	December 1 & 8, 2022	December 1, 2, & 9, 2022	10 days

Additionally, our review found that a complete Task 2 deliverable was not received by the due date established in Purchase Order C03AF5 Change Order 1. The submission of deliverables and their respective due dates are shown in the table below.²

Task	Due Date	Submission Date
1	July 15, 2022	June 27, 2022
2	September 14, 2022	September 13 & September 16, 2022
3 (Partial)	April 3, 2023	In Task 4 Deliverable; January 11, 2023
4	January 18, 2023	January 11, 2023
3 (Final)	April 3, 2023	April 3, 2023

Purchase Order C03AF5 specifies the Task 2 deliverable as an “Interim Assessment Report to include updated historical tables and figures, soil boring logs, groundwater sampling logs, monitoring well construction and development logs, COC [Chain of Custody], photos, field notes, EDD [Electronic Data Deliverables], laboratory reports, and recommendations.” The Interim Assessment Report was received by the Department timely, on September 13, 2022. However,

² All the deliverable due dates outlined in the Purchase Order shifted through Change Orders. The dates listed in the table reflect the most updated submission dates.

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the Interim Assessment Report received did not contain any photos, as required by the Purchase Order. A separate document containing the photos was received on September 16, 2022, which was two days after the Task 2 deliverable due date. As a part of our review, we contacted the Local Program and requested any documentation demonstrating communication between their office and the Contractor pertaining to the late photos and incomplete deliverable. The Local Program stated that there was no record of such communication and that the photographs were submitted via email before the Site Manager could review the deliverable. The Task 2 Deliverable review was conducted on September 26, 2022, and does not contain any acknowledgement that the complete deliverable was not submitted by the due date. However, during discussions with Division Management, PRP staff explained that the deliverable would have been considered insufficient and not late.

Subcontracted Work

There were three subcontractors listed on the Subcontractor Utilization Forms in invoices for the tasks which are approved by the Department to work with the Contractor. However, the Tasks 2 and 4 Interim Assessment Reports reveal that a fourth, unapproved subcontractor was conducting a significant portion of the fieldwork for these two tasks.

Stated in the Nonassignability and Subcontracting section of the ATC, "Contractor shall not sell, assign or transfer any of its rights, duties or obligations under this Contract, or under any Work Assignment issued pursuant to this Restated Contract (Rights and Duties), without the prior written consent of Department. Contractor shall remain liable for performance of its Rights and Duties, regardless of any assignment to or assumption by any third party, notwithstanding any approval thereof by Department.

1. Contractor shall not subcontract any work under this Contract, with the exception of those subcontractors authorized by the Department, without the prior written consent of Department's Contract Manager....
4. Regardless of authorization to retain subcontractors or assign work, Contractor remains responsible for all Work Assignments under this Contract."

Additionally, the Purchase Orders require that the "Contractor must include Subcontractor Utilization Report form, included as a tab on Attachment B, with each invoice." Regarding the work completed in a Site Assessment, the ATC states, "The Contractor will perform all aspects of the site assessment in accordance with applicable rules and guidance of the DEP and other government entities...Examples of work to be performed under this contract include but are not limited to...

4. Install soil borings, temporary sampling points, and monitoring wells and conduct soil screening and field testing, including equipment calibration. Identify contaminant sources, potential receptors and exposure pathways.
5. Collect, preserve and ship air, water, soil, and sediment samples to laboratory for petroleum contaminant analysis, collect groundwater elevation data and conduct a professional land survey (PLS) and properly manage investigative derived waste (IDW), including removal, storage, treatment and disposal/recycling....
7. Provide technical oversight for field activities; including detailed field notes for work assigned under the contract."

The subcontractor listed in the Tasks 2 and 4 Interim Assessment Reports was not reported on the Subcontractor Utilization Forms for these tasks, nor were they approved by the Department to work as a subcontractor of this Contractor. The Task 3 final invoice contained the invoices provided by the three approved subcontractors but there are no invoices for the fourth unapproved

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subcontractor, and this subcontractor is not listed on the ATC Subcontractor Payment Summary Form.

Our review found the Tasks 2 and 4 Interim Assessment Reports include references to two people associated with the unapproved subcontractor. The first is listed as the Owner on the company's website and the second is identified as an Environmental Technician. A search in the Department of Business and Professional Regulation's licensee database reveals that the Owner is a licensed Professional Geologist with the subcontracted company. Instances in which this subcontractor completed work in Tasks 2 and 4 are as follows.

Task 2

- The Owner and Environmental Technician are listed on the Boring Logs with the Owner identified as the Geologist.
- The Environmental Technician signed the Groundwater Sampling Logs, listing his affiliation as the subcontracted company.
- The Environmental Technician completed the Calibration and Verification Log as well as the Turbidity Calibration Log.
- For the August 4th sampling event, the Owner signed the laboratory's Chain of Custody Forms, confirming that he took the samples and relinquished them to the laboratory.
- For the August 16th sampling event, both the Owner and Environmental Technician signed the Chain of Custody Form and relinquished the samples to the laboratory.
- In Task 2, there are three Chain of Custody Forms that the Owner signed and in one he lists his affiliation as with the Contractor and in the other two as with the subcontractor.
- The narrative provided in the field notes indicates that this subcontractor was completing the onsite work with the exception of the drilling, which was provided by one of the identified and approved subcontractors.
- The field notes from the August 4th and 16th sampling events are clearly and legibly signed by the subcontractor indicating authorship, on August 4th it was the Owner, and on the 16th, it was the Environmental Technician.

Task 4

- The Owner and Environmental Technician are listed on the Boring Logs with the Owner identified as the Geologist.
- The Environmental Technician signed the Groundwater Sampling Logs, listing his affiliation as the subcontracted company.
- The Environmental Technician completed the Calibration and Verification Log as well as the Turbidity Calibration Log.
- The Environmental Technician signed the laboratory's Chain of Custody Form, confirming that he took the samples and relinquished them to the laboratory.
- For the Chain of Custody Form, the Environmental Technician lists his affiliation as the subcontracted company.
- The narrative provided in the field notes indicates that this subcontractor was completing the onsite work with the exception of the drilling, which was provided by one of the identified and approved subcontractors.

No person associated with the Contractor is identified in the field notes as being onsite for Tasks 2 and 4. Based on the field notes, the only instance in which someone from the Contractor was onsite was during the pre-drilling meeting in Task 1. Upon contacting the Local Program, they requested documentation from the Contractor and two invoices from the subcontractor were

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provided. Based on our review, the Contractor utilized a subcontractor not reported on any of the Subcontractor Utilization Forms in Tasks 2 and 4 or approved by the Department to work with this Contractor. Furthermore, it appears this subcontractor completed a significant portion of the onsite work for Tasks 2 and 4, violating the ATC.

Contractor Performance Evaluation

In accordance with Rule 62-772.300(6), F.A.C., Contractor performance on state-funded petroleum cleanup projects shall be evaluated, monitored, and documented after each Task Assignment or Purchase Order. The Contractor Performance Evaluation (CPE) must be completed by the Site Manager after the final invoice has been submitted for each Work Order or Purchase Order. According to Section 19.1 of the PRP SOP Site Manager Guide, CPEs should be completed within 30 days of the final Purchase Order invoice payment. The final payment in Purchase Order C03AF5 was dispersed on May 4, 2023, and the CPE was completed on the same day. The Site Manager contacted the owner of the Facility with a survey form for their input, but no response was received.

The Site Manager Guide states, “Seven (7) days’ notice is required for all upcoming field work, otherwise 2 cannot be selected, unless the Site Manager agreed in writing with the shorter notice.” The Contractor did not provide appropriate notices for fieldwork on two occasions. In both instances, the Site Manager informed the Contractor of these infractions and adjusted the CPE accordingly.

Division Oversight

During our review, we noted areas in which Division oversight could be improved. These areas include invoice submission timing and document upload to OCULUS.³ The Purchase Orders specify that, “Invoices for completed work may be submitted at any time for fully completed and approved tasks, but no more frequently than every thirty (30) days, for approved partial tasks.” Task 3 was invoiced in two parts and the first part, the Task 3 Partial Invoice and the Task 4 Invoice were submitted within eleven days of each other, on January 19, 2023, and January 30, 2023, respectively.

Additionally, section 16 of the PRP Site Manager Guide states, “All Tasks, Deliverables, Correspondence, Request for Response to Comments, Response to Comments, Supplemental Material, Cost Share Verification Letters, etc. should be inserted into OCULUS.” Upon beginning the review of these Purchase Orders, we noted that the Task 4 Interim Assessment Report had not been uploaded to OCULUS. We contacted the Local Program requesting this document be uploaded, and they complied.

CONCLUSION

Based on our review of documentation, discussions with PRP staff, and the activities and financial records associated with the Purchase Orders, it appears that the Contractor generally completed the Scope of Work in the Purchase Orders. However, our review noted some areas where controls could be strengthened related to supporting documentation and management oversight. Our findings and recommendations are listed below.

³ OCULUS is the Department’s electronic document management system, <https://depedms.dep.state.fl.us/Oculus/servlet/search>

FINDINGS AND RECOMMENDATIONS

Finding 1: SPI Documentation – The Contractor received payment for some pay items that were not supported by the required documentation.

For each invoiced pay item, the Contractor is required to submit specific supporting documents (deliverables) as outlined in the SPI. The basis for establishing which documents are mandatory comes from the list of required documents per each pay item, which is provided by the Division in Attachment B – SPI and Other Related Documents. We compared each invoiced item to the SPI required documents under the Contract. Based on our review, we identified some SPI that were included on the invoice, but not supported by the required documentation to demonstrate that the invoiced work had been completed. The total amount paid for SPI that lacked the required documentation during the course of these Purchase Orders was \$4,607.50. Specifically, we noted the following:

Task 1

Pay item	Description	Required Documentation	Units	Total Cost
3-1	Mobilization, Light Duty Vehicle (car or 1/2 ton truck) - ≤ 100 miles each way	Field notes – documenting vehicle type	2 [per Round Trip]	\$ 890.00
20-6	Scientist/Technical Specialist (Key)	Field notes and work performed in accordance with Scope	2 [per Hour]	\$ 157.50
Total				\$ 1,047.50

Task 2

Pay item	Description	Required Documentation	Units	Total Cost
3-1	Mobilization, Light Duty Vehicle (car or 1/2 ton truck) - ≤ 100 miles each way	Field notes – documenting vehicle type	2 [per Round Trip]	\$ 890.00
3-9a	Drill Rig and Support Vehicles Mobilization (hollow stem auger, mud rotary or sonic) - ≤ 100 miles each way	Field notes – documenting vehicle type	1 [per Round Trip]	\$ 890.00
Total				\$ 1,780.00

Task 4

Pay item	Description	Required Documentation	Units	Total Cost
3-1	Mobilization, Light Duty Vehicle (car or 1/2 ton truck) - ≤ 100 miles each way	Field notes – documenting vehicle type	2 [per Round Trip]	\$ 890.00
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Total				\$ 1,780.00
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In response to a prior audit finding, PRP provided training regarding this matter on November 15, 2022, and September 14, 2023.⁴

Recommendations:

- 1.1** We recommend that the Division work with PRP to request reimbursement for the \$4,607.50 paid where required documentation was not provided.

Management Response:

PRP provided training on the evaluation of required items for invoicing in the December 14, 2023, Program Teleconference and followed up with distributing meeting notes to all site managers. Local Program Managers were reminded during the February 21, 2024, PRP Managers Meeting of the importance of ensuring that the required documentation is reviewed and verified prior to invoice approval and payment. In addition, reimbursement of the \$4,607.50 associated with the required documentation was requested from the Contractor on February 28, 2024.

Finding 2: SPI Documentation for Investigative Derived Waste (IDW) – When laboratory analysis is conducted for the disposal of IDW, the required tables do not include an area to record the required documentation.

For Task 2, our review noted seven pay items that lacked the complete required documentation, specifically the updated tables (see table below). All these pay items were for laboratory analysis of samples. The laboratory analysis results appear on the lab reports, so it appears the tests were completed. The lab report records that these tests were conducted for the IDW samples; however, these results were not added to any of the tables in Attachment 1 of the deliverable.

Pay item	Description	Missing Documentation	Units	Total Cost
9-2 ⁵	Soil, BTEX + MTBE (EPA 8021 or EPA 8260)	Updated tables	1 [per Sample]	\$ 45.36
9-11	Soil, Arsenic (EPA 6010 or EPA 6020)	Updated tables	1 [per Sample]	\$ 10.80
9-12	Soil, Cadmium (EPA 6010 or EPA 6020)	Updated tables	1 [per Sample]	\$ 10.80
9-13	Soil, Chromium (EPA 6010 or EPA 6020)	Updated tables	1 [per Sample]	\$ 10.80
9-14	Soil, Lead (EPA 6010 or EPA 6020)	Updated tables	1 [per Sample]	\$ 10.80
9-15	Soil, Toxicity Characteristic Leaching Procedure-Extraction Only (EPA 1311)	Updated tables	2 [per Sample]	\$ 56.50

⁴ OIG Audit Report A-2223DEP-018, Audit of Purchase Order BA12F1.

⁵ For pay item 9-2, the lab report records that the IDW was tested for EPA 8260, but this result was not recorded on the updated tables. However, pay item 9-6 (Soil, Priority Pollutant Volatile Organics) requires that three soil borings also be tested for EPA 8260. Updates for EPA 8260 were made to the tables following the testing for 9-6 and correspond to the three soil boring samples, not the IDW.

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9-41	Water, Lead, Total (EPA 200.7, EPA 200.8, EPA 6010 or EPA 6020)	Updated tables	1 [per Sample]	\$ 10.80
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Regarding the requirements for testing and disposal of IDW, the ATC states, “Disposal/recycling [of petroleum contaminated waste] should be accomplished as soon as laboratory analyses indicate which disposal/recycling facility is appropriate.” The ATC further states that the laboratory analysis of IDW should be billed under the laboratory analysis pay items, which for this Purchase Order are 9-2, 9-11, 9-12, 9-13, 9-14, 9-15, and 9-41. Our review found an inconsistency regarding the required documentation for the laboratory analysis pay items when the laboratory analysis is conducted on IDW samples. The Required Documents tab of Attachment B specifies that many of the laboratory analysis pay items require updated tables to be included as a required document for invoicing. The tables of Attachment 1 of the Task 2 deliverable are where the laboratory analysis results of soil boring samples are recorded for the history of the entire site, and where the results of new laboratory analysis tests are updated. However, these tables only provide an area to record laboratory analysis results from soil borings samples, not IDW. The laboratory analysis of the IDW was not added to the tables in Attachment 1 of the deliverable, as required for these pay items per Attachment B, because there was no place for them on the tables.

Recommendations:

- 2.1** We recommend the Division update the required tables to accommodate all required laboratory analysis documentation.

Management Response:

The program appreciates this finding and is adjusting the required documents for analytical data associated with characterization of Investigative Derived Waste. Since tables and sampling locations accompany closure orders, it would be best not to include data associated with Investigative Derived Waste in the tables as they are not discreet samples from specific locations onsite. The schedule of pay items required documents tab, has been updated to reflect that updated tables are not required when the analytical data is associated with characterization of Investigative Derived Waste. The new SPI will be used on all work offers effective March 11, 2024.

Finding 3: Division Oversight – Some invoices were submitted for payment too frequently and some documents were not uploaded into OCULUS as required.

During our review, we noted areas in which Division oversight could be improved. These specific areas are invoice submission timing and document uploads to OCULUS.

Invoice Submission Timing

The Purchase Orders specify that, “Invoices for completed work may be submitted at any time for fully completed and approved tasks, but no more frequently than every thirty (30) days, for approved partial tasks.” Task 3 was invoiced in two parts and the first part, the Task 3 Partial Invoice and the Task 4 Invoice were submitted within eleven days of each other, on January 19, 2023, and January 30, 2023, respectively.

Deliverable Upload to OCULUS

Section 16 of the PRP Site Manager Guide states, “All Tasks, Deliverables, Correspondence, Request for Response to Comments, Response to Comments, Supplemental Material, Cost

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Share Verification Letters, etc. should be inserted into OCULUS.” Upon beginning the review of these Purchase Orders, we noted that the Task 4 Interim Assessment Report had not been uploaded to OCULUS. We contacted the Local Program requesting this document be uploaded, and they complied.

Recommendations:

- 3.1** We recommend the Division work with PRP, Site Managers, and Agency Term Contractors to review the requirements surrounding invoice submissions and OCULUS uploads.

Management Response:

In response to this audit finding, PRP met with the Local Program Managers on February 21, 2024, and reminded them of the contractual requirements regarding OCULUS uploads and invoice requirements. In addition, Agency Term Contractors were reminded of the invoicing requirements and timeframes via email sent on March 5, 2024.

Finding 4: Unapproved Subcontractor – The Contractor utilized a subcontractor that was not approved to work with the Contractor or reported on the Subcontractor Utilization Form

There were three subcontractors listed on the Subcontractor Utilization Forms in invoices for the tasks which are approved by the Department to work with the Contractor. However, the Tasks 2 and 4 Interim Assessment Reports reveal that a fourth, unapproved subcontractor was conducting a significant portion of the fieldwork for these two tasks.

Stated in the Nonassignability and Subcontracting section of the ATC, “Contractor shall not sell, assign or transfer any of its rights, duties or obligations under this Contract, or under any Work Assignment issued pursuant to this Restated Contract (Rights and Duties), without the prior written consent of Department. Contractor shall remain liable for performance of its Rights and Duties, regardless of any assignment to or assumption by any third party, notwithstanding any approval thereof by Department.

1. Contractor shall not subcontract any work under this Contract, with the exception of those subcontractors authorized by the Department, without the prior written consent of Department's Contract Manager....
4. Regardless of authorization to retain subcontractors or assign work, Contractor remains responsible for all Work Assignments under this Contract.”

Additionally, the Purchase Orders require that the “Contractor must include Subcontractor Utilization Report form, included as a tab on Attachment B, with each invoice.” Regarding the work completed in a Site Assessment, the ATC states, “The Contractor will perform all aspects of the site assessment in accordance with applicable rules and guidance of the DEP and other government entities...Examples of work to be performed under this contract include but are not limited to...

4. Install soil borings, temporary sampling points, and monitoring wells and conduct soil screening and field testing, including equipment calibration. Identify contaminant sources, potential receptors and exposure pathways.
5. Collect, preserve and ship air, water, soil, and sediment samples to laboratory for petroleum contaminant analysis, collect groundwater elevation data and conduct a professional land survey (PLS) and properly manage investigative derived waste (IDW), including removal, storage, treatment and disposal/recycling....

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7. Provide technical oversight for field activities; including detailed field notes for work assigned under the contract.”

The subcontractor listed in the Tasks 2 and 4 Interim Assessment Reports was not reported on the Subcontractor Utilization Forms for these Tasks, nor were they approved by the Department to work as a subcontractor of this Contractor. The Task 3 final invoice contained the invoices provided by the three approved subcontractors but there are no invoices for the fourth unapproved subcontractor, and this subcontractor is not listed on the ATC Subcontractor Payment Summary Form.

Our review found the Tasks 2 and 4 Interim Assessment Reports include references to two people associated with the unapproved subcontractor. The first is listed as the Owner on the company’s website and the second is identified as an Environmental Technician. A search in the Department of Business and Professional Regulation’s licensee database reveals that the Owner is a licensed Professional Geologist with the subcontracted company. Instances in which this subcontractor completed work in Tasks 2 and 4 are as follows.

Task 2

- The Owner and Environmental Technician are listed on the Boring Logs with the Owner identified as the Geologist.
- The Environmental Technician signed the Groundwater Sampling Logs, listing his affiliation as the subcontracted company.
- The Environmental Technician completed the Calibration and Verification Log as well as the Turbidity Calibration Log.
- For the August 4th sampling event, the Owner signed the laboratory’s Chain of Custody Forms, confirming that he took the samples and relinquished them to the laboratory.
- For the August 16th sampling event, both the Owner and Environmental Technician signed the Chain of Custody Form and relinquished the samples to the laboratory.
- In Task 2, there are three Chain of Custody Forms that the Owner signed and in one he lists his affiliation as with the Contractor and in the other two as with the subcontractor.
- The narrative provided in the field notes indicates that this subcontractor was completing the onsite work with the exception of the drilling, which was provided by one of the identified and approved subcontractors.
- The field notes from the August 4th and 16th sampling events are clearly and legibly signed by the subcontractor indicating authorship, on August 4th it was the Owner, and on the 16th, it was the Environmental Technician.

Task 4

- The Owner and Environmental Technician are listed on the Boring Logs with the Owner identified as the Geologist.
- The Environmental Technician signed the Groundwater Sampling Logs, listing his affiliation as the subcontracted company.
- The Environmental Technician completed the Calibration and Verification Log as well as the Turbidity Calibration Log.
- The Environmental Technician signed the laboratory’s Chain of Custody Form, confirming that he took the samples and relinquished them to the laboratory.
- For the Chain of Custody Form, the Environmental Technician lists his affiliation as the subcontracted company.

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- The narrative provided in the field notes indicates that this subcontractor was completing the onsite work with the exception of the drilling, which was provided by one of the identified and approved subcontractors.

No person associated with the Contractor is identified in the field notes as being onsite for Tasks 2 and 4. This subcontractor completed a significant portion of the onsite work for Tasks 2 and 4. Upon contacting the Local Program, they requested documentation from the Contractor and two invoices from the subcontractor were provided. Based on our review, the Contractor utilized a subcontractor not reported on any of the Subcontractor Utilization Forms in Tasks 2 and 4 or approved by the Department to work with this Contractor.

Recommendations:

- 4.1 We recommend the Division work with PRP, Site Managers, and Agency Term Contractors regarding the requirements of subcontractor utilization, approval, and reporting.

Management Response:

PRP trained on subcontracting requirements in the December 14, 2023, Program Teleconference. PRP followed up with notes from the teleconference which were distributed to all site managers. PRP reminded contractors of the subcontracting procedures in the December 2023 PRP Post.

STATEMENT OF ACCORDANCE

Statement of Accordance

The Mission of the OIG is to promote accountability, integrity, and efficiency by providing quality audits, investigations, management reviews, and technical assistance.

This work product was prepared pursuant to § 20.055, Florida Statutes, in accordance with the *Principles and Standards for Offices of Inspectors General* as published by the Association of Inspectors General and the *International Standards for the Professional Practice of Internal Auditing*, as published by the Institute of Internal Auditors, Inc. The audit was conducted by Shelby Bremigan and supervised by Susan Cureton.

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