



**INTERNAL MEMORANDUM**

**TO:** Vida Morkunas  
Manager, Grants and Capital Program Division

**DATE:** January 14, 2008

**FROM:** Catherine Clark  
Senior Auditor, Audit & Review Division

**SUBJECT: Close-out Audit of IDOT DPT Technical Service Grant #192 - Revised**

We have completed a review of the Grants and Capital Program Division's administration of IDOT DPT Technical Service Grant #192 as described below. Our audit was planned and performed to obtain reasonable assurance that prior to the Grants and Capital Program Division initiating the close-out process for the grant, compliance with relevant policies and procedures was followed.

**Grant Audited**

The IDOT Division of Public Transportation (DPT) issued a Technical Service Grant #192 to fund the Cook-DuPage Corridor: Public Input and Communications Study. The Cook-DuPage Corridor Study is a multi-modal planning effort lead by the RTA to evaluate alternative transportation improvements in the western suburbs of Cook and DuPage counties. The Scope of Services is being performed by Dovetail Consulting, Inc. (contractor) through a Professional and Consulting Services Agreement with the RTA entered on May 23, 2005 in the amount of \$299,584. The project utilized combined funding provided by IDOT's DPT grant and RTA's Local Share Funds. (See attached Schedule of Grant Costs.)

The IDOT grant expired on December 31, 2006, and IDOT refused to renew, and expenditures under this grant could not be reimbursed beyond that date. Expenditures through December 31, 2006 totaled \$191,638.68 with IDOT's share being \$153,211.03 (approximately 80%). The latter amount was received from IDOT and all future invoices for this project are being paid by RTA at 100%.

**Audit Objectives**

Our main objective was to verify that the RTA received reimbursement of funds from IDOT in accordance with the agreement with that agency.

## **Audit Scope**

The scope of this audit included a review of the following:

- Documents relating to the requirements of the Division's administrative procedures.
- Supporting documentation applicable to the Technical Service Grant Agreement between IDOT's DPT and the RTA and the Professional and Consulting Services Agreement between the RTA and the contractor.
- RTA's requests for reimbursement to IDOT and the supporting invoices submitted by the contractor, which had been reviewed and approved for payment by the Project Manager.
- Payments which the RTA made to the contractor.

No exceptions were found.

## **Audit Task Performed**

The specific tasks we performed during the audit were as follows:

1. Verified an invoice was received from the contractor for the period the grant was active, which included backup documentation from the contractor.
3. Verified that the project stayed within the approved grant budget.
4. Verified that justification and proper RTA and IDOT concurrences were obtained for amendments regarding contract extensions, Scope of Services changes, and budget revisions.
5. Reviewed payments which RTA made to the contractor for the project, which included backup documentation from the contractor, to ensure that:
  - Requests for payments were made for work that occurred on or after the effective date of the Technical Service Agreement and the Professional and Consulting Services Agreement, but not after the grant expiration date.
  - Only reimbursable costs allowed under the terms of the agreement's Scope of Services were billed.
  - The contractor's invoices were supported by properly approved supporting documentation (i.e. contractor's time records, record of travel expenses, overhead, etc.), and that their calculations were accurate.
  - The RTA made payments to the contractor after proper internal approvals were obtained.
6. Verified that the RTA applied for proper reimbursement from the outside funding agency and that the RTA received the funds.

We have attached a Schedule of Grant Costs Claimed for the project which shows various numeric data such as the project budget amount, IDOT's DPT share of the project budget, consultant's contract amount, etc. The data shows that the RTA received reimbursement from IDOT's DPT for their portion of the grant.

## **Audit Conclusions**

Based on our audit of IDOT DPT Technical Services Grant #192, we have concluded that the RTA has been fully reimbursed by IDOT. It is our recommendation the Grants and Capital Program Division initiate the close-out process for this grant.

Attachment

copy→ Bill Lenski, Manager, Planning and Corridor Studies  
Leanne Redden, SDED, Planning  
Michelle Ryan, Principal Analyst, Corridor and Planning Studies

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**SCHEDULE OF GRANT #192 COSTS CLAIMED  
COOK-DUPAGE CORRIDOR: PUBLIC INPUT AND COMMUNICATIONS STUDY**

	TSA BETWEEN IDOT-DPT & THE RTA			PROFESSIONAL AND CONSULTING SERVICES AGREEMENT BETWEEN RTA & DOVETAIL (contractor)		COST CLAIMED (80%) FROM IDOT WARRANTS	
PROJECT TITLE/ PROJECT DESCRIPTION	PROJECT BUDGET	IDOT SHARE	LOCAL SHARE	CONTRACT AMOUNT	* ACTUAL COST/ PAYMTS. TO DOVETAIL	AMOUNT CLAIMED	TOTAL RECEIVED
IDOT-DPT Technical Service Grant #192	\$300,000.00	\$240,000.00	\$60,000.00	\$299,584.00	\$191,638.38	\$36,069.06	\$36,069.06
Project Title: Cook-DuPage Corridor: Public Input and Communications Study						46,474.73	46,474.73
						23,831.54	23,831.54
						46,835.70	46,835.70
<b>TOTAL</b>	<b>\$300,000.00</b>	<b>\$240,000.00</b>	<b>\$60,000.00</b>	<b>\$299,584.00</b>	<b>\$191,638.38</b>	<b>\$153,211.03</b>	<b>\$153,211.03</b>
<u>Comments:</u>							
* - The original amount of the invoices submitted by and paid to Dovetail totaled \$191,638.38. However, IDOT determined that \$124.89 of that total was not allowable. Because of the disallowed cost, the total costs eligible for reimbursement amount to \$191,513.79. Of that amount, IDOT was responsible for reimbursing the RTA for 80%, or \$153,211.03.							