



***INTERNAL MEMORANDUM***

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

**DATE:** December 27, 2007

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

**SUBJECT: Close-out Audit of the Regional Transportation Clearinghouse JARC Program Phase II (FTA Grant IL-37-X021)**

We have completed a review of the Grants and Capital Program Division's administration of the Regional Transportation Clearinghouse Job Access and Reverse Commute (JARC) Program (Phase II) 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 Federal Transit Administration (FTA) issued FTA Grant IL-37-X021 to the RTA to fund the Regional Transportation Clearinghouse JARC Program (Phase II). This grant is a continuation of the previously approved scope for the Transportation Information Clearinghouse Job Access Program as detailed in FTA Grant IL-37-X002. The role of the Clearinghouse will be that of an "information broker" both for transportation users and transportation providers. The Clearinghouse would serve as a facilitator in developing responses to those with transportation needs, and providing transportation providers with information on service needs and opportunities for new service funding. The Clearinghouse would also play a coordinating role by assembling the existing resources of various agencies, such as Pace's Market Development Department, CATS Rideshare staff, and the RTA Travel Information Center. The Scope of Services was performed by the University of Illinois at Chicago (contractor) through a Technical Services Agreement with the RTA entered on December 12, 2006 in the amount of \$200,000. The project utilized combined funding provided by the FTA's grant and RTA's Local Share Funds. (See attached Schedule of Grant Costs.)

**Audit Objectives**

Our main objectives were to verify that the project contractor had completed the project's Scope of Services in accordance with contractual and grant agreements and that the RTA received

reimbursement of funds from the outside funding agency 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 grant's administrative procedures.
- Supporting documentation applicable to the grant agreement between the FTA and the RTA and the Technical Services Agreement between the RTA and the contractor.
- RTA's requests for reimbursement to the FTA 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 that the Scope of Services, included in the contractor's agreement with the RTA, has been completed.
2. Verified a final invoice was received from the contractor, which included backup documentation from the contractor, and a final report/product issued to the RTA.
3. Verified that the project stayed within the approved project budget when completed.
4. Verified that justification and proper concurrence 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 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, the FTA's share of the project budget, consultant's contract amount, etc. The data shows that the RTA received reimbursement from the FTA for their portion of the grant.

## **Audit Conclusions**

Based on our audit of the Regional Transportation Clearinghouse JARC Program (Phase II), we have concluded that the project contractor has completed the Scope of Services of the project in accordance with the amended contractual and grant agreements, and that the RTA has been fully reimbursed by the outside funding agency.

It is our recommendation the Grants and Capital Program Division initiate the close-out process for this portion of FTA Grant IL-37-X021.

Attachment

copy→ Fluturi Demirovski, Planning Assistant  
Leanne Redden, SDED, Planning

