



***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 IDOT BBS Grant RTA-SPR 03, HR234**

We have completed a review of the Grants and Capital Program Division's administration of IDOT BBS Grant RTA-SPR 03, HR234 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 Illinois Department of Transportation (IDOT) issued Bureau of Business Services (BBS) Grant RTA-SPR 03, HR234 to the RTA, as a result of House Resolution 234, to fund the Regional Transit Coordination Plan (RTCP) Study. The RTCP is a multi-year cooperative effort to enhance regional mobility by facilitating and improving interagency transfers between the CTA, Metra, and Pace. Led by the RTA, in conjunction with the Service Boards and other local planning agencies, the RTCP serves as the regional framework for a series of evaluations and recommendations to improve physical coordination, service coordination, fare coordination, and information coordination. The Scope of Services was performed by Booz, Allen & Hamilton, Inc., Cambridge Systematics, Inc., and Wilbur Smith Associates (contractors) through Professional and Consulting Services Agreements with the RTA. The total amount of the budget for this project is \$500,000. The project utilized combined funding provided by IDOT and RTA's Local Share Funds. (See attached Schedule of Grant Costs Claimed)

**Audit Objectives**

Our main objectives were to verify that the project contractors had completed the project's Scope of Services in accordance with contractual and grant agreements and 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 Intergovernmental Agreement between IDOT and the RTA and the Professional and Consulting Services Agreement between the RTA and the contractors.
- RTA's requests for reimbursement to IDOT and the supporting invoices submitted by the contractors, which had been reviewed and approved for payment by the Project Manager.
- Payments which the RTA made to the contractors.

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 contractors, which included backup documentation from the contractors, 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 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 contractors for the project, which included backup documentation from the contractors, to ensure that:
  - Requests for payments were made for work that occurred on or after the effective date of 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 contractors 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 share of the project budget, consultant's contract amount, etc. The data shows that the RTA received reimbursement from IDOT for their portion of the grant.

## **Audit Conclusions**

Based on our audit of IDOT BBS Grant RTA-SPR 03, HR234, we have concluded that the project contractors have 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 IDOT.

It is our recommendation the Grants and Capital Program Division initiate the close-out process for this grant.

Attachment

copy→ Joe Moriarty, Principal Analyst, Regional Coordination  
Mark Pitstick, Division Manager, Regional Coordination  
Leanne Redden, SDED, Planning

