



INTERNAL MEMORANDUM

TO: Vida Morkunas
Manager, Grants and Capital Program Division

DATE: March 13, 2008

FROM: Catherine Clark
Senior Auditor, Audit & Review Division

SUBJECT: Close-out Audit of the Village of Olympia Fields IGA

We have completed a review of the Grants and Capital Program Division's administration of the Village of Olympia Fields Intergovernmental Agreement (IGA) 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 project, compliance with relevant policies and procedures was followed.

Project Audited

The Village of Olympia Fields Town Center Development Plan used a visual preference survey to develop a concept plan for a new town center on a 54 acre green-field site adjacent to the Metra Electric station. The proposed town center includes a mix of civic, commercial, retail, and residential land uses adjacent to a new commuter parking facility. The Scope of Services is being performed by Teng & Associates (the contractor) through a Professional and Consulting Services Agreement with the RTA entered on December 3, 1999 in the amount of \$37,949. The project utilized funding provided by the RTA and in-kind services in the amount of \$10,000 were to be provided by the Village of Olympia Fields (See attached Schedule of Project Costs).

Audit Objectives

Our main objective was to verify that the RTA complied with the terms of the agreement with the Village of Olympia Fields and the contractor.

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 the Village of Olympia Fields and the RTA and the Professional and Consulting Services Agreement between the RTA and the contractor.

- The 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 project was active, which included backup documentation from the contractor.
2. Verified that the project stayed within the approved project budget.
3. 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 Intergovernmental Agreement and the Professional and Consulting Services Agreement.
 - 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.

We have attached a Schedule of Project Costs for the project which shows various numeric data such as the project budget amount, consultant's contract amount, etc.

Audit Conclusions

Based on our audit of the Village of Olympia Fields IGA, we have concluded that the RTA complied with the terms of the agreement with the Village and the contractor. It is our recommendation the Grants and Capital Program Division initiate the close-out process for this project.

Attachment

copy→ Jay Ciavarella, Division Manager, Special Programs
Joe Costello, SDED, Finance & Administration
Leanne Redden, SDED, Strategic Planning & Regional Programs

**SCHEDULE OF PROJECT COSTS
VILLAGE OF OLYMPIA FIELDS INTERGOVERNMENTAL AGREEMENT (IGA)**

				PROFESSIONAL AND CONSULTING SERVICES	
				AGREEMENT BETWEEN RTA & TENG (contractor)	
	IGA BETWEEN THE RTA & THE VILLAGE			CONTRACT	TOTAL PAYMENT
PROJECT TITLE/ PROJECT DESCRIPTION	PROJECT BUDGET	RTA SHARE	IN-KIND SERVICES LOCAL SHARE	AMOUNT	TO TENG
Regional Technical Assistance Program (RTAP) Project	\$48,000.00	\$38,000.00	\$10,000.00	\$37,949.00	\$37,948.83
Project Title: Olympia Fields Town Center Development Plan					
TOTAL	\$48,000.00	\$38,000.00	\$10,000.00	\$37,949.00	\$37,948.83