

2023 Annual CITT Municipal Workshop

Be Audit You Can Be

OFELIA TAMAYO, DIRECTOR
AUDIT AND MANAGEMENT SERVICES DEPARTMENT

Agenda

- Who are we?
- What documents will we need?
- What should you have available for an efficient audit?
- What are some of the common audit issues?

Who are we?

- We are the County's Audit and Management Services Department (AMS)
- We perform audits to evaluate and encourage compliance with applicable rules and regulations, identify opportunities to improve performance, and foster accountability.
- We conduct audits on annual basis over the Surtax proceeds
- We select areas to audit considering risk and amount of proceeds distributed

What documents will we need?

- ACFRs and Budgets for All Years Under Audit
- Detailed General Ledgers should support claimed amounts recorded in the Surtax or Other Funds (e.g., MOE General Fund Streetlighting, or Public Works Street-Related Expenditures)
- Supporting Documentation for Claimed Expenditures (e.g., invoices, payment details, worksheets supporting allocated costs)
- Bank Statements and Reconciliation Reports supporting Cash in Bank
- Monthly Circulator or On-Demand Ridership Statistics
- Contracts with Circulator Providers and Other Major Vendors
- Interest Earned on Equity in Pooled Cash – Allocation Methodology
- Surtax-Related Debt Service – Allocations Among Multiple Funding Sources, if applicable
- Additional revenues from advertisements, grants and other funding, if applicable

What should you have available for an efficient audit?

Quarterly Reports

- Should Tie to Claimed Expenditures

Five-Year Transportation Plans

- Starting Balance Should Include Any Unspent Balances from the Prior Audit
- Should also account for proceeds withheld from distribution when applicable

Equity in Pooled Cash

- Should Be No Less Than the Balance of Unspent Surtax

What are some of the common audit issues?

Use of Transit- and Transportation-Related Surtax Proceeds

- At least 20% of the Surtax Proceeds must be spent annually on Transit-related costs
- Interest earnings on unspent funds must be credited as income to the Surtax Fund
- Ensure that only eligible expenditures are submitted and adequate supporting documentation is maintained
- Timely execution of the *Interlocal Agreement* allowing the use of Surtax Proceeds for On-Demand Services as required by Ordinance No. 19-06

Certification and Reporting Requirements

- Certification Letter and Quarterly Reports are not submitted in a timely manner
- Quarterly Reports submitted to OCITT are not reconciled to the Municipality's general ledger
- Five-Year Transit/Transportation Plan does not always include how unspent proceeds will be spent in future periods as required by CITT Resolution No. 09-055

Thank you!
