



NEW YORK
STATE OF
OPPORTUNITY™

**Thruway
Authority**

**AUDIT COMMITTEE MEETING NO. 61
MONDAY, JANUARY 29, 2024
ALBANY, NEW YORK**



**Thruway
Authority**

AUDIT COMMITTEE AGENDA

Meeting No. 61
January 29, 2024
Albany, New York

1. Approval of Minutes of Audit Committee Meeting No. 60
2. 2024 Audit Plan for the Office of Fiscal Audit & Budget
3. Other Business
4. Adjournment

TO: The Audit Committee

DATE: January 29, 2024

FROM: Julie Greco
Acting Board Secretary

SUBJECT: Approval of Minutes for Audit Committee Meeting No. 60

Copies of the Minutes of Audit Committee Meeting No. 60 were made available to the Committee Members as part of the agenda.

RECOMMENDATION

It is recommended that the Minutes of Audit Committee Meeting No. 60, held on November 14, 2023, be approved by the Committee.



MINUTES
AUDIT COMMITTEE MEETING NO. 60
November 14, 2023

Meeting minutes of the New York Thruway Authority Governance Committee, held in the boardroom at 200 Southern Boulevard, Albany, New York and via video conference at SUNY College of Environmental Science and Forestry, 229 Bray Hall, 1 Forestry Drive, Syracuse, NY 13210.

The following committee members were present:

Jose Holguin-Veras, Ph.D., Chair
Heather Briccetti Mulligan, Committee Member
Joanne M. Mahoney, (ex-officio)

In addition, the following were present

Robert Megna, Vice-Chair
Norman Jones, Board Member

Constituting a majority of the members of the Thruway Authority Board.

Staff Present:

Frank G, Hoare, Acting Executive Director
Matthew Trapasso, Chief of Staff
Dave Malone, Chief Financial Officer
Joe Igoe, Deputy General Counsel
Rich Lee, Chief Engineer
Selica Grant, Acting Director, Administrative Services
Jim Konstalid, Director, Maintenance & Operations
Jennifer Givner, Director of Media Relations & Communications
Mary Boehm, Director, Audit & Management Services
Andrew Trombley, Acting Director of Contracts & Procurement Services
Erika Beardsley, Acting Director, Center of Excellence
Diana Nebiolo, Acting Director of Revenue Management
Pete Nilsson, Information Technology Specialist
Sean Lasher, Information Technology Specialist
Julie Greco, Acting Board Secretary
Jerry Yomoah, Assistant Board Secretary

Also Present:

Brendan Kennedy, BST
Sandra Rivera
Allison Bradley

Dr. Veras, Committee Chair, called the meeting of the Audit Committee to order at approximately 1:25pm.

Ms. Greco recorded the minutes as contained herein (public notice of the meeting had been given).

Item 1

Approval of Minutes of the Audit Committee Meeting No. 59 (24:45)

Upon motion duly made and seconded, the Audit Committee approved the minutes of the previous meeting held on March 27, 2023.

Item 2

The Director Audit Management Services formally submits for review and acceptance the 2024 Audit Plan and Projects (Attachment A) (25:04).

Ms. Mary Boehm seeks the Audit Committee's approval for the 2024 Audit Plan and Projects.

Copies of the 2024 Audit Plan and Projects were provided to the Committee Members and are maintained in Authority records. Details of the Committee members discussion is included in the video recording of and maintained by the Authority.

Upon motion duly made and seconded, the Audit Committee accepted and approved the 2024 Audit Plan and Projects.

Item 3

Presentation from Brendan Kennedy (BST) Report of BST & Co. CPA's, LLC's Audit Plan for the year ending December 31st, 2023 (25:55).

Mr. Brendan Kennedy (BST) presented an overview of the Audit Plan Year Ending December 31, 2023.

Copies of BST's presentation was provided to the Committee Members and are maintained in Authority records. Details of the Committee Members discussion with Mr. Kennedy are included in the audio recording of the meeting and maintained by the Authority.

Upon motion duly made and seconded, the Audit Committee approved the audit plan for the year ending December 2023.

Adjournment (43:40)

There being no other business to come before the Audit Committee, upon motion duly made and seconded, the meeting was adjourned at 1:43p.m.

Note: Webcasts, which include dialogue of Authority Board Meeting, are available on the Thruway Authority website 48 hours after such meetings occur and remain on the website for a period of four months.

TO: The Audit Committee

DATE: January 29, 2024

FROM: David Malone
Chief Financial Officer

SUBJECT: Bureau of Fiscal Audit's 2024 Audit Plan

The Chief Financial Officer formally submits the Bureau of Fiscal Audit's 2024 Audit Plan.

Enclosed please find the following:

- Bureau of Fiscal Audit's 2024 Audit Plan.
- Preliminary Accomplishments Report for 2023
- Report of Accomplishments for 2020-2022
- Summary tables detailing number of audits performed and resource allocation for 2020, 2021 and 2022

New York State Thruway Authority
Office of Fiscal Audit and Budget
2024 Audit Plan

Bureau of Fiscal Audit **2024 Audit Plan**

Enclosed please find the Bureau of Fiscal Audit's 2024 Audit Plan. The plan is updated annually to adjust for new initiatives, revise processes, adapt to changes to better reflect the priorities of the organization, and to allocate our resources more efficiently.

Risk Based – Analysis of operating controls, likelihood of material failure and impact to operations and finances:

The plan was developed using a risk-based approach. The first step in developing the plan is to group key functions together into Primary Audit Areas, which are used as a guide on how to allocate audit staff. The next step analyzes the likelihood of failures occurring in a key function, considering the controls, or lack of controls in place to prevent or minimize the failure from occurring. These controls are established and monitored by the operating department in most situations. The next step is to evaluate the impact that a potential failure would have on Authority operations and finances. The definition of failure is principal to the analysis, as it must be measurable and material in nature. Good controls can also minimize the magnitude of the impact of a failure.

Overall Risk Assessment:

The assessment is based on the residual possibility that detection controls will not identify operating control breakdowns in a timely manner, and material failures will occur.

Audit Plan – Detection controls and reporting:

The audit function includes detection controls that consist of reviews and audits to test that operating controls are in place and that proper procedures are followed and documented. Audit reports summarizing findings are provided to leaders and managers that document weaknesses or lack of controls, review whether procedures are being followed and that records are updated timely, provide recommendations for improvements, and remind supervisors and personnel of proper procedures. The recommendations are designed to eliminate or reduce the likelihood of a control failure and provide measures to minimize the impact that these failures will have on the organization. Auditors also follow up on their reports to verify that recommendations have been implemented or acted upon. Our outside auditors annually review our reports on a sample basis and have found them acceptable to rely on.

Audit Areas in Annual Plan:

Audit Area 1 – Revenues and Reimbursements, includes the below described Cashless Tolling and Workzone Safety activities as well as audits of Concession and Fiber Revenue and reimbursements for Federal Disaster Assistance and other Claims and Grants.

Audit Area 2 – Financial Reporting and Regulatory Compliance, includes production of required annual financial reports for internal and external use.

Audit Area 3 – Billings and Contract Compliance, includes processing payments and auditing of the Cashless Tolling Systems and Administrative providers, Engineering and other Personal Services Agreements.

Audit Area 4 – Asset Control, includes physical verification of Equipment and Materials Inventories and controls over Financial assets such as Cash, Checks, P-Cards and Accounts Receivable.

Audit Area 5 – Salary and Benefits, reviews of all items that impact employee compensation and Authority benefit expenditures.

Staff Allocation:

Based on analysis of risk components, staff hours are allocated to each primary audit area required to perform detection controls assessment to reduce overall risk to an acceptable level. 2023 staff activities continued evaluating those audit areas that posed the highest risk to the Authority such as Audit Areas 1 - Revenues and 3 – Billings and Contract Compliance.

For 2024 the Audit Plan will continue to evolve and capture more staff time dedicated to continued oversight of post-transition vendor compliance and performance, reporting, and establishment of new audits and reconciling activities. Management will also use the Plan to track staff time and document activities that diverge from the plan as they arise.

Summary Table:

The 2024 chart displays a summary of the rating of each component of the risk assessment, audit staff allocation and overall risk assessment of the primary audit areas. Attached are detailed overviews of the five primary audit areas with analysis and past audit results to support the rating of the components of a risk analysis (controls, likelihood that failures will occur and impact to operations or finances when failures occur) to support an overall risk assessment rating.

**Bureau of Fiscal & Toll Audit
2024 Audit Plan
Risk Assessment Summary**

Primary Audit Areas	Risk Components				Staff Allocation		Overall Risk Assessment
	Operating Controls	Likelihood of Failure	Impact to Operations				
Area 1 - Revenues & Reimbursements <i>Key Functions Include:</i> Cashless Tolling Concessions, Fiber and Lease Revenue Federal Reimbursements - Disaster Claims & Mitigation Grants	Moderate	Moderate	Moderate/High	→	35%	→	High
Area 2 - Financial Reporting & Regulatory Compliance <i>Key Functions Include:</i> Financial Statement Review Regulatory & Financial Reporting	Strong	Low	Moderate	→	3%	→	Low
Area 3 - Billings & Contract Compliance <i>Key Functions Include:</i> Cashless Tolling Administration Engineering Consultants Other Personal Service Contracts State Agency Billings Concessionaires - Remediation, Renewal and Replacement	Strong	Moderate	Moderate/High	→	34%	→	Moderate
Area 4 - Asset Control <i>Key Functions Include:</i> Equipment Inventory Checks, Credit Cards & Accounts Receivable	Moderate	Moderate	Low	→	18%	→	Low
Area 5 - Salary & Benefits - Employees & Retirees <i>Key Functions Include:</i> Employee Compensation Health Insurance and Other Benefits Time & Attendance	Moderate	Low/Moderate	Low	→	10%	→	Low

**2024 Audit Plan
Audit Categories and Counts
New York State Thruway Authority**

Audit Area	Category Description	Audit Category Number	2024 Number of Audits
Area 1 - Revenues & Reimbursements			
	Cashless Tolling:		
	Customer Account Financial Adjustments (Settlement of Customer Debt)	1-1A	4
	Transfer of Responsibility (TOR) Process Flow	1-1B	2
	Toll Transaction Process Flow	1-1C	4
	Quarterly Rejected Transactions Review	1-1D	4
	Negative Account Balance Review	1-1E	4
	Audit of Discount Plans	1-1F	4
	Toll Rate Changes	1-1G	1
	Collections Customer Payments Vendor To Vendor Reconciliation	1-1H	4
	Collection Payment Posting	1-1I	2
	Collection/Vendor Direct Payment Reporting	1-1J	2
	Tag Stock Inventory	1-1K	1
	Non-Revenue Tag	1-1L	1
	On-The-Go Account Status	1-1M	4
	On-The-Go Tag Retailer Inventory	1-1N	2
	Reserved for Special Revenue Audit Projects	1-1O	1
			40
	Cashless Tolling Reimbursements:		
	NYS Bridge Authority Quarterly Chargeback Billings	1-2A	4
	Peace Bridge Quarterly Chargeback Billings	1-2B	4
	Thousand Island Bridge Authority Quarterly Chargeback Billings	1-2C	4
	Annual State Police E-ZPass tag billing	1-2D	1
	Niagara Frontier Bridge Commission Tag Packages	1-2E	1
			14
	Other:		
	Service Station Rentals	1-3A	1
	Fiber Revenue	1-3B	1
	Restaurant Rentals	1-3C	1
	Restaurant - Review of New Restaurant Construction	1-3D	1
	Workzone Safety - Liquidated Damages	1-3E	4
	Reserved For Special Projects - Workzone Safety	1-3F	As Needed
			8
	Federal Disaster Assistance, Claims & Grants		
	FEMA/FHWA Thruway	1-4A	8
	FEMA/FHWA Canal (closeouts of previous awards)	1-4B	1
	Grants - Miscellaneous	1-4C	As needed
			9
	Total - Area 1		71

Audit Area	Category Description	Audit Category Number	2024 Number of Audits
Area 2 - Financial Reporting & Regulatory Compliance			
	Financial Statement Review:		
	Annual Audit Plan For Thruway Board	2-1A	1
	E-ZPass and Tolls By Mail Expenses & Budget Review	2-1B	2
	Review of Audited Financial Statements, Notes & External Auditor's Reports	2-1C	1
	Pre-Audit of Monthly Financial Statements	2-1D	0
	Assist Accounting Year End Estimated Liability for Environmental Claims	2-1E	1
	Assist Accounting Year End Contract Liability set-ups - Operating	2-1F	1
	Assist Accounting Year End Vacation Liability	2-1G	1
	Assist Accounting Year End Contract Liability set-ups - Capital	2-1H	0
			7
	Regulatory Reporting:		
	RESERVED for Other Regulatory Reporting	2-2A	As needed
	Annual Public Authority Data Request (PARIS)/Board	2-2B	1
	State Comptroller's Audit Report Review	2-2C	As needed
			1
	Confirmations & Reconciliations		
	Investments & Collateral	2-3B	1
	Accounts Receivable	2-3C	1
			2
			10
Total - Area 2			
Area 3 - Billings & Contract Compliance			
	Consultants:		
	Audit of Monthly Billings - Cashless Tolling and Workzone Safety	3-1A	56
	Engineering - D Contract Estimates - Office Audits	3-1B	80
	Engineering - D Contract Estimates - Field Audits	3-1C	0
	Pre-Award Audits Engineering - D Contracts	3-1D	10
	Contractor's Claims	3-1E	As needed
	Processing Contract Payments (est. 600) Pre-Payment Audit	3-1F	0
	Lease & Office Rental Billings (L Contracts)	3-1G	4
	Misc Service Billings - C Contracts Drug Testing, Training, Safety, Benefits	3-1H	20
	Legal & Finance Professional Billings - C Contracts	3-1I	15
	Real Estate Appraisal billings - C Contracts	3-1J	4
	Utilities & Municipal Agreements	3-1K	5
	Railroads / Force Agreements	3-1L	2
	On-Demand Contract Audit	3-1M	2
			198
	Governmental Agencies:		
	Department of Law	3-2A	As needed
	Office of the State Comptroller Billing	3-2B	As needed
	Department of Civil Service Administration	3-2C	2
	NYS Retirement System Billing	3-2D	1
	State Police Troop T Payroll (Quarterly)	3-2E	4
	State Police Troop T Non-Personal Service costs	3-2F	2
	Department of Labor Unemployment Insurance	3-2G	1
			10

Audit Area	Category Description	Audit Category Number	2024 Number of Audits
Concessions:			
	Concessionaire Agreements - Repair & Replacement, Cap Imp.	3-3A	2
	Concessionaire Agreements - Gas Pricing Review	3-3B	2
	Fuel Service Facilities - Remediations Ongoing	3-3C	12
	Concessionaire Agreements - Field Audit	3-3D	1
			17
Other:			
	Assistance to Other Units - Review of RFPs and Draft Contracts, Eval Committees	3-4A	2
			2
Total - Area 3			227
Area 4 - Asset Control			
Equipment:			
	Motorized Equipment	4-1A	4
	Office/Computer Equipment	4-1B	8
	Shop Equipment	4-1C	5
	Communications Equipment Inventory	4-1D	As needed
	Toll Equipment	4-1E	2
	Tool Complements & Controls	4-1F	5
	Scrapping or Surplus Assets	4-1G	0
			24
Inventory:			
	Fuel Inventory Reconciliation	4-2A	1
	Annual Physical Inventories (4 Divisions, ITSM, Inv. Mgmt. & Sign Shop)	4-2B	7
	Section Stores Inventory Verification	4-2C	7
	Division Stores Inventory Verification	4-2D	As needed
			15
Cash, Checks, Credit cards and Accounts Receivable:			
	Procurement Card Audits	4-3A	8
	Account Receivable Confirmations	4-3B	1
	Account Receivable Reconciliation	4-3C	1
	Cash Funds (petty cash)	4-3D	9
	Check Signing reconciliation	4-3E	12
			31
Total - Area 4			70
Area 5 - Salary & Benefits - Employees & Retirees			
Employee Compensation (Payroll & Negotiated Benefits)			
	Salary Raises/Step Advances	5-1A	1
	Retroactive Salary or Contractual Payments (Call-out Incentive)	5-1B	2
	Vacation Buyback	5-1C	1
	Health Insurance Opt-out	5-1D	1
	Semi-Annual Incentive & Bonus for Non-use Sick Leave	5-1E	4
	Payoff & Comparison of Payroll to Roster	5-1F	0
	Commuter Use of TWY Provided Vehicles	5-1G	1
	Employee Payroll Audit	5-1H	2
	Reserved - Special Project	5-1I	1
			13

Audit Area	Category Description	Audit Category Number	2024 Number of Audits
Health Insurance & Other Fringe Benefits:	Pre-Implementation Audit of Health Insurance Rates	5-2A	1
	Reconciliation of TWY Health Insurance Enrollees	5-2B	1
	Unemployment Billings Review	5-2C	As needed
	Survivor's Benefit	5-2D	4
	6		
Time & Attendance: Field Audits	Verification of Timekeeper Records	5-3A	8
	8		
Total - Area 5			27
TOTAL ALL CATEGORIES			405

Audit Area 1- Revenues and Reimbursements

Overview and Risk Identification

Authority revenue is closely monitored and reviewed by the Bureau of Fiscal. The main source of revenue for the Thruway Authority are the tolls collected for the use of the Thruway system. Other sources of income include revenues from concessionaires, E-ZPass and Tolls by Mail fees, fiber optic user fees, rentals, interest earnings, special hauling permits, and other sundry revenues. Federal aid and emergency disaster relief reimbursements along with Federal and State grants are billed and tracked. Many of the controls to account for toll revenues and reimbursements are audited daily by Fiscal Audit staff.

Risks are based on the likelihood that the following situations may occur: E-ZPass and Tolls by Mail toll transactions are unidentifiable, not billed or misreported; inaccurate toll fares are charged; payments are not reported, collected and deposited properly, or fraudulent activities have occurred. Other possible risks to revenue collection are that concessionaire payments are under reported, inaccurately calculated or that Interest and Sundry revenues are misreported. Risks relating to reimbursements include failure to invoice for reimbursements of reciprocal agency tolling expenses, failure to apply for, document and properly submit all disaster related reimbursements, failure to bill and track other reimbursements including environmental claims, and missed grant and other aid opportunities. These failures could result in the loss of revenues or reimbursements that could impact Authority finances, bond rating, reputation, and draw increased regulatory scrutiny and oversight.

Key Functions and Audit Activities

Cashless Tolling

E-ZPass accounts for approximately 95% (\$782.9 million in 2022) of Authority toll revenue (\$820.4 million). The Thruway Authority along with the Metropolitan Transportation Authority (MTA) and Port Authority of New York and New Jersey (PANYNJ), have contracts with Conduent State and Local Solutions, Inc. to furnish, install, operate the Account Management and Customer Service aspects of an Electronic Toll Collection System, E-ZPass. Toll transactions and violations are sent to Conduent, who then posts the transactions to the customer's account and reports the revenues and other fees collected to the Authority's Finance Office for Passenger, Business and Commercial Prepaid accounts. Commercial Postpaid accounts are managed and billed through the Authority's Commercial Charge Account Program. The internal controls of Conduent are reviewed, audited, and subsequently reported on annually by an independent auditor, and the results have been provided to the Authority in a SOC 1 report under the Standards for Attestation Engagements (SSAE) #16 report.

Conduent State and Local Solutions, Inc. operates the account management, billing and payment aspects of the cashless Tolls by Mail program for video toll transactions. Electronic toll transactions and license plate video images are sent to Conduent, who then use the plate numbers to obtain the patron's current mailing address through the DMV of their state or to bill on previously established accounts. Conduent mails out Toll Bills and escalated Violation Notices and tracks their status, processes and deposits all payments, and provides transaction and revenue reports to the Authority's Fiscal Audit and Finance offices. Unpaid Bills and Notices that have not been paid within 120 days of initial transaction are placed for collection with NYSTA's collection agent. Tolls by Mail and Violation Fees totaled \$60.3 million for 2022.

The Office of Fiscal Audit has dedicated staff who audit the Cashless Tolling operations of the contract, review financial transactions on customer and violator accounts, review collections from the outside collection agency, and financial adjustments made to customer account balances. Fiscal Audit and Finance staff are in contact with Conduent and the other reciprocal agencies through meetings and constant communications about data and the process and procedures of E-ZPass and the Tolls by Mail program.

Concession Lease Payments

Concessionaire lease payments from two fuel service and one food service operator service areas across New York, totaled \$6.5M in rental revenue in 2022, up from \$5.7M in 2021. In July 2021 the Authority along with Empire State Thruway Partners launched a \$450 million service area redevelopment and redesign project for food service operations. This project is overseen by the Office of Travelers' Services. The Bureau of Fiscal Audit will provide support and guidance relative to the documentation for Capital Improvement costs, future Rehabilitation and Reinvestment Reserve and rental reports.

Controls for verifying rental revenue received from the current operators are strong, as restaurant sales and fuel deliveries are reviewed and variances investigated on a monthly and year to date basis. Fiscal Audit conducts post audits of rent payments and other contract provisions for all the operators on an annual basis, including compliance to minimum annual guaranteed rent. Fiscal Audit also works with our independent auditors to ensure that in accordance with the contract, the concessionaires maintain good internal controls of their records and operations. Procedures will be modified as needed to retain strong controls under the new agreements.

Federal Assistance - Disaster Claims and Mitigation Grants

Federal disaster assistance claims originate from weather related events (Snow, Ice, Wind, Flooding, etc or other State Emergency). There are two different sources for disaster assistance: FEMA and FHWA. The program used depends on the specifics of

the eligible damage or the State/Federal declaration. Once a State and/or Federal disaster event is identified, Division Personnel are notified and specific work orders are set up to accumulate costs, which are then submitted to Fiscal Audit. The FEMA project manager coordinates cost submissions, correspondences and meetings to identify, clarify and resolve all eligibility and program issues with FEMA, FHWA and New York State Office of Emergency Management (NYSOEM). Both Thruway and the Canal claims (pre-2017) are billed and tracked to final disposition and receipt of funds. Reimbursement of projects obligated by FEMA under Hurricane Ida (DR-4615), December 2022 Snowstorm Elliot (DR-4694), and 2023 July Flooding (DR-4723), are still in process for approximately \$84k. Anticipated reimbursements of over \$2.0 million for projects not yet obligated under EM-3589, DR-4694, DR-4723, and COVID-19 (DR-4480) are currently being reviewed by FEMA for eligibility. There are no new FEMA identified disasters that have not been addressed by the Authority.

FEMA reimbursements and grants have been a large percentage of the federal funds received in recent years. Costs paid to date for the repair work caused by the Lee/Irene events will be closed out and claim reimbursements submitted. With the transfer of the Canal Corporation to NYPA, the Authority will submit the claims and provide a credit of any portion that NYPA has reimbursed after April 1, 2016.

Overall Risk Assessment of Revenues and Reimbursements

The Authority has written procedures on documenting Cashless Tolling revenue that is reported to be collectible. Established controls related to pre-paid and post-paid toll and fee revenue are in place to track the set-up of receivables and reimbursements, monitor the status of amounts billed and received, and for tolls that are determined to be uncollectable. Operating controls in place and the likelihood of failure are moderate. The impact on operations is considered high because a failure could have a material impact given toll revenue is the highest percentage revenue source of the Authority's overall revenue.

Concessionaire Lease Payments and Federal Reimbursements operating controls are considered strong. The likelihood of failures is moderate, but activities are continuously monitored, so the likelihood of material failure is low.

Overall risk assessment for this entire audit area is high.

Audit Area 2 – Financial Reporting & Regulatory Compliance

Overview and Risk Identification

The NYS Thruway Authority, a legally and fiscally separate and distinct organization from the State of New York, is responsible for its own finances and budget, and produces a variety of financial statements and reports to provide both internal and external users with financial information regarding its operating results and financial condition. These statements and reports are required by various governmental agencies and legislation. Authority and State bond program managers, advisors and bond rating agencies require timely financial statements and reports before public offerings can be made. In order to ensure the reliable, accurate and timely compilation of these statements and reports, the Bureau of Fiscal Audit performs various periodic reviews and audits and assists in their production. Audit staff provide assistance in producing the Annual Report and required analysis of the Authority's financial reports prior to issuance.

Risks are based upon the likelihood of undetected errors or misstatements within these financial statements, notes to the financial statements and/or reports, and the possibility that such errors or misstatements would be of a material amount. Material is defined as having an impact on an informed financial statement reader. The impact of these errors could result in erroneous decision making in current and long-range planning and controlling of operations and achieving the organization's goals. Material impacts could include a decrease in bond ratings, which increases costs of borrowing, increased regulatory scrutiny, corrective costs and negative public/private perception.

Key Functions and Fiscal Audit Activities:

Financial Statement Review

The Bureau of Fiscal Audit performs reviews and/or audits of various pages of the Financial Statements and reports in accordance with detailed audit programs. The Authority's fiscal year is on a calendar year basis. The audit programs include tests of the accuracy and reasonableness of calculations made and amounts presented, when compared to actual source data, such as various expense, budget and revenue reports generated from the Authority's Thruway Financial Program (TFP) and other reporting systems. The following are reviewed:

- Estimated Future Claims and Environmental Liability, Contractual Liability and Accrued Expense Account Balances
- Annual Financial Statements and Notes
- Regulatory reporting

Regulatory and Financial Reporting

Fiscal Audit provides comprehensive reviews and compilation of data contained annual Financial Statements that are provided to New York State agencies and certified by our external auditors. Annual financial statements and reports are required to be submitted and information uploaded to the Office of the State Comptroller / Authority Budget Office's Public Authority Reporting Information System (PARIS). This information is made publicly available. As a result, potential risk associated with undetected errors and misstatements could also cause a negative impact to the Authority, the State and other businesses and organizations that rely on these reports. Fiscal Audit reviews the consistency of financial information derived from different sources within the Authority.

Fiscal Audit prepares the calculation of estimated liabilities for the annual year end reporting, per GASB, including the liability for Construction, Architectural and Engineering and Personal Service/Lease agreement contract agreements.

Fiscal Audit prepares the annual Procurement report for Architectural and Engineering and Personal Service contract and Lease agreements for submission into the PARIS statewide database and preparation of the report for the NYSTA Board of Directors.

Fiscal Audit participates in compiling data and providing responses to external audits and other inquiries, as well as provide support for reports used for bond issuance for Ratings Agencies, Federal Financial Assistance and others.

Overall Risk Assessment Financial Reporting & Regulatory Compliance

Based on periodic audits and a review of the controls in place, the controls are evaluated as strong and the likelihood that material errors will go undetected in Authority financial statements and reports is low to moderate. If undetected errors are made, there could be serious implications to the overall organization. Overall risk assessment for this area is moderate.

Audit Area 3 – Billings and Contract Compliance

Overview and Risk Identification

The Bureau of Fiscal Audit performs reviews and audits of billings received and contract payments made by the Authority for a variety of services provided in accordance with contracts with business entities and agreements with various State agencies. In 2022, approximately 712 billings were reviewed with a value of about \$127.1 million paid to consultants, for personal service contracts and for lease agreements. Services provided by consultants consist of engineering services (design, construction inspection, and architectural), and personal services contracts include legal, economic, financial, real estate, human resources services, accounting services, and E-ZPass and Tolls by Mail administration. Other billings include various services provided by the New York State Departments of Civil Service, DOT, the Office of the State Comptroller, Attorney General, and others. The Authority also reimburses the Division of State Police for Troop T's costs of patrolling the Thruway.

Existing food concession contracts include building and equipment renewal and replacement provisions and the fuel vendor contracts have both equipment replacement and capital improvement requirements. Fuel contracts include provisions outlining the operators' and Authority's responsibility for environmental spill remediation and clean-up. In accordance with regulatory agreements and procedures, the Authority is reimbursing fuel vendors for ongoing remediation monitoring at several service area locations where past environmental contamination occurred.

In performing audits of these agreements, expenses and supporting documentation are reviewed and tests are conducted for reasonableness, mathematical accuracy, and conformity to contractual guidelines mandated by State and Federal regulations, as well as review and approval of the work by Authority engineers and other contract managers. As a result, billings and project costs are approved, adjusted, held or disapproved in accordance with contract provisions, and if costs were attributed to a previous operator, then they are billed in accordance with that agreement.

Risks include the likelihood that billings which include improper or inaccurate costs in accordance with contract guidelines get processed, paid and recorded in the Authority's financial records. Inaccurate and incorrect cost reporting can also impact current and future management decision making, regarding planning and cash flow needs. Contract non-compliance by concessionaires regarding capital improvements and replacement and renewal requirements can impact customer safety and satisfaction at our Travel Plazas. Any instance of a fuel spill or non-compliance with environmental regulations can lead to citations, claims and facility shut down with little or no service available to Authority patrons. Additional risk could arise by allowing for the payment of sub-standard work, or work performed by unqualified firms or unlicensed individuals, which could affect public safety and potential liabilities.

Key Functions and Fiscal Audit Activities

Processing Contract Payments in Contract Management System

Invoices for Engineering Consultant agreements as well as a wide variety of other Personal Service Contracts and Lease Payments are routed through Fiscal Audit for payment processing. Fiscal Audit ensures that the invoices have been approved by the Authority Project or Contract manager or appropriate Department head, is compliant with contract provisions captured in the Contract Management System (CMS), that funding is available and that insurance requirements are met before forwarding to Accounts Payable for payment.

Engineering Consultants

The Bureau of Fiscal Audit performs pre-award evaluations for engineering agreements to ensure that agreements contain provisions for reimbursement that are in conformity with Authority and State Comptroller's guidelines.

The review includes direct salary rates, as well as expenses and indirect (Overhead or Multiplier) cost rates proposed, and approval of the firm's rates reported by a CPA firm or a NYSDOT approved overhead rate. Upon execution of an agreement, total contract amount, insurance requirements and work periods are set up and verified in the Contract Management System (CMS). Staff coordinates the establishment of Project Accounting with the Budget Office. Assignment budgets approved by Engineering are set-up in CMS and bills are processed against those budgets. Desk audits of the billings are performed on a continual basis, and audit adjustments are applied to future billings. Schedules documenting the reductions are provided to Authority program managers and consultants. Estimates are recorded and posted thru CMS.

Other Consultants and Contractors

The Authority leases office space for administrative operations in the Buffalo, Syracuse and New York Divisions. The Bureau of Fiscal audit reviews annual escalation billings for operating costs and real estate tax increases submitted to the Authority from the landlord prior to payment. Staff also audits other Personal Service agreements in a manner like the Engineering agreements as described above. Fiscal Audit provides additional oversight and auditing of billings for services provided by the E-ZPass and Tolls by Mail Administrator managed jointly by the Authority's Department of Revenue Management with the Triborough Bridge and Tunnel Authority and the Port Authority of NY and NJ, and the Cashless Tolling System equipment vendor. These are very large and complex agreements. Other important contracts include those associated with provision of Fiber Optic maintenance and associated leasing of Authority-owned Fiber conduit.

State Agency Billings

Audits are conducted of charges related to the cost of services provided by a variety of State agencies including the Office of the State Comptroller for pension contributions, and the Department of Civil Service for health insurance and employee benefits. Reconciliations and audits are performed as required.

Concessionaires

In 2020 the Authority Board approved a new 33-year agreement with Empire State Thruway Partners to rebuild 23 and renovate 4 of the 27 food concession locations over a three-year period. Construction, funded by Empire, began in July 2021 and several service areas are currently closed for restaurant services.

There are two Fuel service providers and one Food providers operating the Service Areas under four different contracts on the Thruway. Each concessionaire is responsible for a Minimum Annual Guaranteed Rent, a minimum percentage of sales spent on Renewal & Replacement of equipment at their facilities and must meet certain pricing and reporting requirements. The fuel operators must also comply with specified environmental regulations and procedures. Fiscal Audit verifies the compliance of each contract through monthly tracking of sales, spot price checks, year-end audits of sales and rent payments, inventory tracking, and Renewal & Replacement spending and issues reports. Incidents of noncompliance are reported to the proper unit and to other involved program managers for discussion, action to take and proposed resolutions.

Overall Risk Assessment of Billings and Contract Compliance

Based on continuous audits of many contractual invoices, and the procedures that are in place to prevent inaccurate payments and non-compliance, controls are evaluated as being strong. The likelihood of some improper payments or non-compliance is moderate, and inaccurate payments could be material, resulting in a magnitude of impact on the Authority that is assessed as moderate to high. Overall risk assessment for this area is moderate.

Audit Area 4 – Asset Control

Overview and Risk Identification

The Thruway Authority has invested \$332.1 million in Equipment, Tools and Inventory, and therefore, it is important to monitor the controls to safeguard these assets. These assets are primarily controlled by the Office of Equipment and Inventory Management. This Office works closely with Division and Section staff to manage the location, usage, security and maintenance of these assets. These field supervisors are responsible and accountable for securing and maintaining these assets for their intended purposes.

Risks are based on the likelihood of Authority assets being lost, stolen, damaged or not used for Authority purposes. These failures could lead to increased replacement and repair costs, and potentially impact the completion of operational tasks if equipment is not available or not working.

Key Functions and Fiscal Audit Activities

Equipment

The Authority has purchased and maintains equipment with a cost of nearly \$299.7 million that is recorded in Property Records/Fixed Asset System. The approximate equipment costs by type are as follows:

- Motorized - \$197.2 million – 65.8%
- State Police/Administrative Vehicles - \$6.4 million – 2.1%
- Shop/Office/Computer/Communications Eq. - \$19.9 million – 6.6%
- Software Projects and Patents (intangible asset) - \$38.6 million – 12.9%
- E-ZPass Tags - \$37.5 million – 12.5%

Section Staff, Division Staff, and HQ Managers are responsible for the assets assigned to their work unit or specific employees. The Bureau of Equipment and Inventory Management routinely inspects and maintains motorized and shop equipment. Fiscal Audit conducts field audits to verify the equipment assigned, review security of the assets, ensures that records are up to date and investigates variances and disposals. Audit reports document the audits and may include recommendations to ensure procedures are followed, and paperwork is processed to update the Fixed Assets System.

E-ZPass tags are purchased and depreciated over their life and reflect all Authority issued tags and inventory. The current toll administrator contract does not bill for systems equipment purchased, as pricing is based on service units. Some programming costs for development and changes as requested by the Authority may be capitalized as assets. This is typically for changes to tolling rates, discount plans, toll by mail accounts and web site changes.

Tools

Thruway Tools (Tool Complements) assigned to employees have a cost of approximately \$6.4 million. There are 344 complements; \$3.96 million of the \$6.4 million are included in 39 of the complements. Tool Complement inventories are conducted annually by the Tool Complement Holder and are kept on file in Headquarters. An inventory is also done upon transfer of the complement from one employee to another, as well as on a sample basis by Fiscal Audit.

Inventory

Inventory (including fuel, salt, auto parts, safety items, signs, toll equipment parts, etc) has a value of \$26.0 million. Salt inventory accounts for over 36% (\$9.5 million) of the total. Inventory is verified and updated annually by the respective Divisions, and adjustments are reported back to Headquarters, as well as reviewed and monitored by Fiscal Audit. Field audits are also conducted to verify the quantity of a sample of items on hand, which are compared to accounting records, to review that proper procedures are followed, updates and changes are made on a timely basis and to ensure security controls are in place.

Checks, Purchasing Cards and Accounts Receivable

Various procedural controls are in place to ensure reliable, accurate and timely reporting of financial results. Some of the controls periodically reviewed and tested by Fiscal Audit are indicated below.

- the proper recording of transactions
- Procurement Card guidelines, including purchasing requirements
- supervisory review and authorization of various transactions and accounting entries
- Maintenance of supporting documentation
- Performance of reconciliations
- Identification of, and restricted access to, assets, including check stock, and controls over check printing and disbursement files
- Establishment of appropriate policies and procedures

Overall Risk Assessment of Asset Control

Based on periodic audits of this area, controls in place to reduce or prevent the occurrence of lost, stolen, damaged or inappropriate use of Authority assets are moderate. The operating controls for the functions are distributed system-wide, to all supervisors responsible for equipment and inventory, making compliance testing protracted. P-Cards present the same challenge with 380 cards issued to employees' system-wide. While the likelihood of some inventory loss is moderate, the likelihood of material errors is low/moderate. The fiscal impact of these occurrences is low. The Overall Risk Assessment for this area is low.

Audit Area 5 – Salary and Benefits – Employees and Retirees

Overview and Risk Identification

The Thruway Authority compensates their employees in accordance with the two negotiated labor agreements (Teamsters and CSEA) and Management Confidential guidelines and may receive memos from the Compensation Committee. Compensation and benefits are administered through the Office of Human Resource Management in the Department of Administrative Services, and through the Payroll Unit in the Office of Accounting & Disbursements in the Department of Finance & Accounts. In 2021, employee compensation and benefits totaled approximately \$158.8 million.

Risks are based on the likelihood that inaccurate salary payments are made, fringe benefits are administered incorrectly or inaccurately paid, co-payments for health insurance coverage are incorrect, and employees' time, attendance & labor gets misreported. These failures could lead to lost dollars (overpayments not recovered), labor costs to correct errors, and inaccurate payroll, attendance and maintenance cost records.

Key Functions and Fiscal Audit Activities

Employee Compensation

The Bureau of Fiscal Audit conducts many different audits to verify and ensure the accuracy of the Authority's employee compensation throughout the year. Fiscal Audit performs pre-implementation reviews of salary raises and step advances, as well as assists in the calculation and verification of retroactive salary payments when necessary. Payments in accordance with negotiated labor agreements for vacation buy back, health insurance opt-outs, non-use of sick leave incentives, and snow and ice availability payments are also audited prior to payment, whether annually or bi-annually. Additionally, each year, randomly selected work units are chosen for Field Audits, in which various reviews and verifications are made to ensure employees are working appropriately or charge leave accruals, salaries are accurate, timecards, work orders and attendance records are completed and authorized. Overall payroll controls are also reviewed to ensure that all employees are paid appropriately.

Health Insurance and Other Fringe Benefits

Fiscal Audit performs annual pre-implementation audits of the new health insurance rates to verify that the Human Resource Management System (HRMS) is updated with correct rates and Authority employees' contributions are accurate. Health insurance for active employees is administered through the Office of Human Resources (HR), while health insurance for retirees is administered through the NYS Dept of Civil

Service. The HR office is responsible for reviewing and approving the monthly billing for active employees. Periodically, Fiscal Audit performs a comparison of the active employees list versus the monthly bill to verify changes are made on a timely basis and reviews billings. Other billings and payments may be reviewed or audited on a post payment basis, and adjustments, if necessary, are done to correct errors.

Time and Attendance

Fiscal Audit verifies the accuracy of employee rosters and attendance through verification of employees assigned to work in the field. Each employee on duty provides identification and a signature, which is then compared to payroll records on file in the Payroll Office.

The time & attendance and labor records for several randomly selected work units are reviewed every year through Field audits. Workers are required to use a time clock, key card or complete other records to report their work hours. A record of the labor by work type, and overtime, shift training or other hours are input into the Kronos Timekeeper system, and after supervisory approval, all work units electronically submit this information to the Payroll Office. Timekeeper interfaces with various maintenance reporting systems that are used by Management to accumulate project costs and maintain accurate accounting records. Supervisors and managers are held accountable for the accuracy of records, overtime payments and work accomplished.

Overall Risk Assessment Salary and Benefits – Employees and Retirees

Based on periodic audits of this area, controls are in place to monitor and prevent system overpayments. The likelihood of failure of the controls and impact to overall operations is low to moderate. Overall risk assessment for this area is low.

Bureau of Fiscal and Toll Audit
2023 Preliminary Report Accomplishments

Summarized below are highlights of the audit activities during 2023.

Revenues and Reimbursements

In late 2022, with the Vision Forward initiative, a new Department of Revenue Management was created to serve as the central office to maximize revenue generation and reduce revenue leakage. A select number of Toll Audit employees experienced in Cashless Tolling audits were relocated to Revenue Management to work in Quality Assurance where they continue their audit of the vehicle classifications and license plate image quality. In the 2ndQ of 2023 a new Office of Revenue Accounting was created within the Department of Finance & Accounts as a result of recommendations outlined in the Vision Forward program to consolidate all revenue accounting and reporting functions into one single office. Several Toll Audit employees experienced in Cashless Tolling audits, toll revenue financial reporting and traffic reporting were relocated to the new office. With the relocation of Toll Audit functions and staff the Office of Fiscal Audit revised the focus of the Revenue and Reimbursements area for the 2024 audit plan to further enhance and expand Cashless Tolling audits in an effort to mitigate risk. For the remainder of 2023 Audit staff continued cashless tolling audit functions including revenue risk audits and expense reimbursement audits.

FEMA & FHWA Reimbursements: As the result of accumulating, tracking and properly segregating disaster costs, over \$294k in federal funding was collected on FEMA & FHWA projects during 2023. The payments received relate to claims on the Thruway system for emergency responses to Hurricane Sandy (DR-4085), 2019 November Flooding (DR-4472), T.S. Isaias (DR-4567), November 2022 Buffalo Snowstorm (EM-3589), and December 2022 Buffalo Snowstorm (DR-4694). Reimbursement of projects obligated by FEMA under Hurricane Ida (DR-4615) and 2023 July Flooding (DR-4723) are still in process for approximately \$22k.

Anticipated reimbursements of over \$2.0 million for projects not yet obligated under EM-3589, DR-4694, DR-4723, and COVID-19 (DR-4480) are currently being reviewed by FEMA for eligibility. There are no new FEMA identified disasters that have not been addressed by the Authority.

Service Area Reconstruction: The 27 service area restaurant buildings are being redeveloped as part of a \$450 million investment plan with Empire State Thruway Partners. Empire will rebuild 23 of the 27 service area restaurant buildings and perform significant renovations to the remaining four. Fiscal audit has continued to review concessions rentals, renewal and replacement expenditures and environmental remediation projects for the currently operating food and fuel service operators.

Financial Reporting & Regulatory Compliance

Fiscal Audit continues to assist with review and preparation of financial reports. The objective of these reviews is to detect and correct errors in our financial statements prior to being issued

monthly and for year-end independent auditor's review. Additionally, the annual Public Authorities Data Request continues to be submitted to the NYS Division of Budget (DOB) in compliance with their requirements.

Billings and Contract Compliance

Through October 2023, audit staff has reviewed and processed approximately 676 billings totaling nearly \$93.1 million for consultants and other contracts. In addition, staff performed audits of 342 billings in accordance with the contracts that resulted in approximately \$103,000 of reductions or adjustments for amounts billed that were not in accordance with the contract or missing supporting documentation.

E-ZPass and Tolls by Mail – Toll Administrator Agreements

Fiscal Audit continued assistance with current back-office vendor management and the implementation phase of three new agreements for the next generation of Electronic Toll Collection and Cashless, Open Road Tolling. Services currently provided under a single contract are being split into three separate long-term contracts for provision of Systems and License Plate and Owner Identification Services, E-ZPass Tag Distribution, and Customer Contact Center. Fiscal Audit staff has continued to audit and track the billings related to the maintenance of the AET equipment installed on the gantries and toll collection software.

Asset Control

Resumed performing system-wide audits of motorized and shop equipment to meet the goal of auditing all locations within a three-year rolling time frame. These audits were impacted in 2020 and 2021 due to travel restrictions caused by the COVID 19 pandemic. They are performed by auditors visiting Authority maintenance sites, other inventory items and tool complements are also performed during these visits. These audits assist in maintaining accurate fixed asset listings.

Salary and Benefits – Employees and Retirees

Audit staff continue to verify salary increases, sick leave benefit payments, health insurance rates, retiree health insurance billings and other negotiated benefits prior to implementation and payment. In 2023 the Authority executed two bargaining agreements resulting in additional audits of retroactive salary increases, bonus payments and geographic location payments.

Bureau of Fiscal and Toll Audit **2020-2022 Accomplishments**

A summary of the audit reports issued, control functions performed and staff allocation for the audit staff of the Bureau of Fiscal and Toll Audit for 2020-2022 is summarized below by audit area. Enclosed are tables for each year listing the audits performed by audit area and key function.

Revenues and Reimbursements

Over the three-year period an average of 81 reports were issued per year accounting for 41% of staff time. Verification of financial transactions reported to the Authority from our E-ZPass and Tolls By Mail vendor Conduent remains a high priority with emphasis on the conversion from cash collection audits to All-Electronic Tolling (AET). During the three-year period audit staff continued the transition including ending cash audits and individual toll collector audits, monitoring installation of necessary equipment for the cashless toll collection across the state, creating a new revenue accounting system, implementing changes to discount plans and supporting creation of a new controlled system toll structure. The system wide cashless tolling conversion was completed on November 14, 2020.

Financial Reporting & Regulatory Compliance

Over the three-year period an average of 20 reports were issued per year accounting for 9% of staff time. The objective of these reports is to detect and correct errors in our financial statements prior to issuing and our independent auditor's review. Reporting requirements for long term liabilities for health insurance and pension costs have been incorporated into our financial reporting. The Authority continues to receive an unqualified opinion regarding our financial statements and the latest management letter reports no outstanding items. Additionally, the annual Public Authorities Data Request continues to be submitted to DOB in compliance with their requirements.

Billings and Contract Compliance

Over the three-year period an average of 189 reports were issued per year accounting for 27% of staff time. Over the three-year period staff reviewed billings from consultants and conducted contract compliance activities in order to process payments and make audit reductions for amounts billed that were not in accordance with the contract or missing supporting documentation. Staff allocation is driven by volume/dollars of billings processed. All newly awarded Architectural and Engineering agreements are subject to a pre-award evaluation. This evaluation by audit staff ensures that proposed salary, overhead and profit rates are in accordance with Authority guidelines.

Staff within the E-ZPass and AET financial management unit continued to contribute to oversight associated with conversion from cash tolling to all-electronic tolling. These very large Personal Service type agreements provide back-office payment and toll transaction processing, in-lane transaction generation and collections revenue payment processing.

Asset Control

Over the three-year period an average of 41 reports were issued per year accounting for 10% of staff time. Motorized and shop equipment field audits are performed at a select number of Thruway locations. These audits are targeted to assets with high value, location reassignment, obsolescence or significant replacement and in areas where there have been supervisory staff turnover or system tracking procedure changes. No field audits were conducted in 2020 due to the COVID-19 pandemic, a limited amount were performed in 2021 and in 2022 these audits returned to their pre-pandemic levels.

Salary and Benefits – Employees and Retirees

Over the three-year period an average of 21 reports were issued per year accounting for 12% of staff time. The audits review and verify salary raises, sick leave benefit payments, health insurance rates, retiree health insurance billings and other benefits prior to implementation and payment. Over the three-year period, audit staff has conducted payroll/personnel timekeeper compliance audits at 19 of the 25 field maintenance reporting locations. New audits included payments of retention bonus payments to toll employees impacted by the conversion to cashless tolling.

Audit Accomplishments
Number of Audits Performed & Resource Allocation
2020 - 2022

Year	Area 1		Area 2		Area 3		Area 4		Area 5		Total	
	Revenue & Reimbursements		Financial Reporting & Regulatory Compliance		Billings & Contract Compliance		Asset Control		Salary & Benefits - Employees & Retiree's			
	Audits	Hours	Audits	Hours	Audits	Hours	Audits	Hours	Audits	Hours	Audits	Hours
2020	56	2,902	15	437	205	2,391	18	588	11	614	305	6,931
2021	88	4,267	25	1,015	185	2,350	44	765	22	1,589	364	9,986
2022	99	3,130	19	781	176	2,028	60	1,124	30	851	384	7,914
Total	243	10,299	59	2,233	566	6,769	122	2,477	63	3,054	1,053	24,831
Average	81	3,433	20	744	189	2,256	41	826	21	1,018	351	8,277
Percentage of Total Resources	41.47%		8.99%		27.26%		9.98%		12.30%		100.00%	

**2020 Audit Accomplishments
Number of Audits Performed & Resource Allocation
New York State Thruway Authority**

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2020 Actual Audits Performed	Resource Allocation (Hours)	
Area 1 - Revenues & Reimbursements						
E-ZPass:						
	Observation of dedicated E-ZPass Lanes	1 1A	As needed			
	E-ZPass Revenue reconciliation	1 1B	1			
	NYS Bridge Authority, Peace Bridge & TIBA Quarterly Chargeback Billings	1 1C	12	7	85.50	
	Credit Card Quarterly Chargeback Billings	1 1D	4	3	106.50	
	Annual State Police E-ZPass tag billing	1 1E	1	1	1.50	
	VDOT Annual IAG Fees Billing	1 1F	1	1	15.00	
	Violations Processing and Revenue Recovery from Collections	1 1G	1			
All Electronic Toll Collection (Tolls By Mail):						
	Monthly Revenue Entry, Wires and A/Rec adjustments	1 1H	12			
	Review/Observation of Plaza Data System	1 1I	As needed			
	Revenue Reconciliation	1 1J	12	1	12.00	
	Violations Processing and Revenue Recovery	1 1K	12			
	New location testing and implementation	1 1L	As needed			
	Other	1 1M			1,400.00	
			56	13	1,620.50	23.38%
Cash Toll Collection:						
	Review of Monthly Performance Report & Ledger - Controlled Sys.	1 2A	12	3	84.00	
	Removed Bridges and Barriers due to AETC conversion	1 2B	0			
	Review of Monthly Deposit Slip Errors	1 2C	12			
	Special Audit of Cash Variances - Controlled System	1 2D	12	35	972.00	
	Removed Bridges and Barriers due to AETC conversion	1 2E	0	1	0.00	
	Toll System Testing	1 2F	As needed			
	Observation of Collectors	1 2G	12			
	Special Toll Audits - Office	1 2H	As needed			
	Cash Counts	1 2I	6			
	Audit of Station Funds	1 2J	4			
	Accelerated Audits of New Toll Collectors	1 2L	4			
	Visits to the Banks/Counting Services	1 2N	1			
	Observation of Exit Traffic for Ticket Swapping	1 2Q	As needed			
	Review of Toll Collectors Audit Functions	1 2R	As needed			
			63	39	1,056.00	15.24%
Concession Revenue:						
	Service Station Rentals	1 3A	2	3	150.00	
	Service Station - Other	1 3B	2			
	Restaurant Rentals	1 3C	2	1	75.00	
	Restaurant - Other	1 3D	2			
			8	4	225.00	3.25%
Federal Disaster Assistance, Claims & Grants						
	FEMA/FHWA	Thruway	1 4A	2		
		Canal (closeouts of previous awards)	1 4B	2		
	Grants		1 4C	2		

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2020 Actual Audits Performed	Resource Allocation (Hours)	
	Other - State Agencies	1 4E	1			0.00%
			7	0	-	
Other:	Miscellaneous Follow Up	1 4D	As needed			
Total - Area 1			134	56	2,901.50	41.86%
Area 2 - Financial Reporting & Regulatory Compliance						
	Financial Statement Review:					
	Annual Report Information	2 1A	1			
	Accrual Account Reconciliation	2 1B	2	1	25.00	
	Review of Audited Financial Statements & External Auditor's Report	2 1C	1			
	Pre-Audit of Monthly Financial Statements	2 1D	12	11	207.50	
	Estimated Liability for Environmental Claims	2 1E	1			
	Assistance to other units- Year end set-ups	2 1F	1	2	86.75	
			18	14	319.25	4.61%
	Regulatory Reporting:					
	State Comprehensive Annual Financial Report	2 2A	1			
	Procurement Reports	2 2B	1	1	117.75	
	Annual Public Authorities Data Request (PAAA)	2 2C	1			
	State Comptroller's Audit Report Review	2 2D	1			
			4	1	117.75	1.70%
	Confirmations					
	Investments & Collateral	2 3B	1			
	Accounts Receivable	2 3C	1			
			2	0	-	0.00%
Total - Area 2			24	15	437.00	6.31%
Area 3 - Billings & Contract Compliance						
	Consultants:					
	Audit of Monthly Billings - E-Zpass & AET/TBM Ops & Lane Maint.	3 1A	28	35	561.75	
	Personal Service Contract Estimates - Office	3 1B	150	85	933.25	
	Personal Service Contracts - Field	3 1C	5			
	Pre-Award Audits	3 1D	25	9	95.00	
	Prime Contracts - Field	3 1E	As needed			
	Contractor's Claims	3 1E	As needed			
	Environmental Agreements	3 1F	1			
	Lease & Office Rental Billings	3 1G	4	4	70.50	
	Other Billings	3 1H	20	6	50.00	
	Drug Testing	3 1H	4			
	Training	3 1H	6			
	Safety	3 1H	6			
	Legal Billings	3 1I	20	5	67.00	
	Real Estate billings	3 1J	4	2	8.00	
	Utilities	3 1K	5	1	5.00	
	Canal agreements (until closeout)	3 1L	4	6	70.50	

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2020 Actual Audits Performed	Resource Allocation (Hours)	
			282	153	1,861.00	26.85%
	Governmental Agencies:					
	Department of Law	3 2A	4			
	Office of the State Comptroller Billing	3 2B	1			
	Department of Civil Service	3 2C	2	3	15.25	
	Other State Agencies	3 2D	3	1	8.00	
	State Police Troop T Payroll	3 2E	4	4	36.25	
	State Police Troop T NPS costs	3 2G	4	4	310.00	
			14	12	369.50	5.33%
	Concessions:					
	Concessionaire Agreements - Repair & Replacement, Cap Imp.	3 3A	3	1	17.00	
	Concessionaire Agreements - Other	3 3B	3			
	Fuel Service Facilities - Remediations	3 3C	2	14	81.00	
	Other: Miscellaneous Follow Up	3 4A		25	62.25	
			8	40	160.25	2.31%
	Total - Area 3		304	205	2,390.75	34.49%
Area 4 - Asset Control						
	Equipment:					
	Motorized Equipment	4 1A	8			
	Office/Computer Equipment	4 1B	4			
	Shop Equipment	4 1C	5			
	Communications Equipment Inventory	4 1D	4			
	Toll Equipment	4 1E	4			
	Tool Complements & Controls	4 1F	5			
	Scrapping or Surplus Assets	4 1G	1			
			31	0	-	0.00%
	Inventory:					
	Fuel Inventory Reconciliation	4 2A	1			
	Reconcile Inventories - Division Stores (4 Divisions & Sign Shop)	4 2B	5			
	Section Inventory Verification	4 2C	7			
	Stores Inventory Verification	4 2D	4			
	HQ Supplies Inventory Verification	4 2E	1			
			18	0	-	0.00%
	Cash, Checks, Credit cards and Accounts Receivable:					
	Procurement Card Audits	4 3A	4			
	Account Receivable Confirmations	4 3C	1			
	Account Receivable Reconciliation	4 3B	3			
	Cash Funds (petty cash and change funds)	2 4E	4			
	Check Signing reconciliation	4 3E	12	18	588.25	
	Check stock replacement & check register	2 4G	2			
			26	18	588.25	8.49%
	Other: Miscellaneous Follow Up		As needed			
	Total - Area 4		75	18	588.25	8.49%
Area 5 - Salary & Benefits - Employee & Retiree's						

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2020 Actual Audits Performed	Resource Allocation (Hours)	
	Employee Compensation (Payroll & Negotiated Benefits)					
	Salary Raises/Step Advances	5 1A	2	1	75.00	
	Retroactive Salary or Contractual Payments (Call-out Incentive)	5 1B	2	2	255.00	
	Vacation Buyback	5 1C	1			
	Health Insurance Buy-out	5 1D	1	1	30.00	
	Incentive & Bonus for Non-use Sick Leave	5 1E	2	4	124.50	
	Payoff & Comparison of Payroll to Roster	5 1F	9			
	Commuter Use of TWY Provided Vehicles	5 1G	1	1	90.00	
			18	9	574.50	8.29%
	Health Insurance & Other Fringe Benefits:					
	Audit of Health Insurance Rates	5 2A	1	1	37.50	
	Health Insurance Billings	5 2B	2			
	Retirement Billing	3 2D	1			
	Survivor's Benefit	5 2E	4	1	1.50	
			8	2	39.00	0.56%
	Time & Attendance:					
	Head Counts	5 3A	4			
	Nighttime Audits of Winter Maint.	5 3B	4			
	Verification of Part-Time Toll Collectors	5 3C	1			
	Verification of Timekeeper Records	5 3D	4			
			13	0	-	0.00%
	Assistance to Other Units:					
	Reconciliation of TWY Health Insurance Enrollees - Active Employees		As needed			
	Other: Miscellaneous Follow Up		As needed			
	Total - Area 5		39	11	613.50	8.85%
	TOTAL ALL CATEGORIES		576	305	6,931.00	100.00%

* Fiscal Audit also provides assistance to other units upon request, participating in the completion of RFP's/RFQ's, Budget Reports, Accounting Functions, & other Special Projec

**2021 Audit Accomplishments
Audit Categories and Counts
New York State Thruway Authority**

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2021 Actual Audits Performed	Resource Allocation (Hours)	
Area 1 - Revenues & Reimbursements						
	E-ZPass:					
	Reserved for Projects - New Vendor Back Office Agreements	1 1A	2	1	265	
	Collections Revenue reconciliation -Vendor Reported Comparison	1 1B	1	1	35	
	NYS Bridge Authority Quarterly Chargeback Billings	1 1C	4	17	228.25	
	Credit Card Quarterly Chargeback Billings	1 1D	4	5	207	
	Annual State Police E-ZPass tag billing	1 1E	1	1	1.5	
	VDOT Annual IAG Fees Billing	1 1F	1	1	25	
	Violations Processing and Revenue Recovery from Collections	1 1G	1	1	35	
	Niagara Frontier Bridge Commission Tag Packages	1 1H	1			
	Peace Bridge Quarterly Chargeback Billings	1 1I	4	1	8.5	
	Thousand Island Bridge Authority Quarterly Chargeback Billings	1 1J	4	1	8.5	
	Rejected Transactions Review	1 1K	12	3	179	
	Negative Account Balance Review	1 1L	12			
			47	32	992.75	9.94%
	Tolls By Mail:					
	Monthly TBM Revenue Entries	1 2A	12	11	295.5	
	Monthly Review of Wire Transfers	1 2B	12	12	222.5	
	Monthly Review of Accounts Receivable	1 2C	12			
	Violations Revenue and Fees Recovery	1 2D	12			
	RESERVED	1 2E	As needed	4	355	
	Toll System Transaction Audits Comparison to Vendor	1 2F	12			
	Video Classification Audits	1 2G	24			
	Rejected Video Transaction Audits	1 2H	24	20	480	
	RESERVED	1 2I	As needed	1	63.25	
	Audit of Station Funds - Final Disposition	1 2J	1			
	Special Projects - Integrate BOTs to Reporting for VTM etc	1 2K	1			
	Special Projects - New Toll Rates (January 2022)	1 2L	1	1	180.5	
	Special Projects - New Resident Discount Plan	1 2M	1			
			112	49	1596.75	15.99%
	Concession Revenue:					
	Service Station Rentals	1 3A	2	1	123	
	Service Station - Other	1 3B	As needed			
	Restaurant Rentals	1 3C	3			
	Restaurant - Other	1 3D	As needed			
			5	1	123	1.23%
	Federal Disaster Assistance, Claims & Grants					
	FEMA/FHWA Thruway	1 4A	2	5	145.5	
	FEMA/FHWA Canal (closeouts of previous awards)	1 4B	2			
	Grants - Miscellaneous	1 4C	As needed			
			4	5	145.5	1.46%
	Other: Reserved for Special Projects - Revenues and Reimbursements	1 4D	As needed	1	1408.75	14.11%
	Total - Area 1		168	88	4266.75	42.73%

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2021 Actual Audits Performed	Resource Allocation (Hours)	
Area 2 - Financial Reporting & Regulatory Compliance						
	Financial Statement Review:					
	Annual Audit Plan For Thruway Board	2 1A	1	1	70.5	
	E-ZPass and Tolls By Mail Expenses & Budget Review	2 1B	1	2	60	
	Review of Audited Financial Statements & External Auditor's Report	2 1C	1	1	138.75	
	Pre-Audit of Monthly Financial Statements	2 1D	12	15	393	
	Assist Accounting Year End Estimated Liability for Env Claims	2 1E	1	2	44	
	Assist Accounting Year End Contract Liability set-ups	2 1F	1	2	208.5	
	Assist Accounting Year End Vacation Liability	2 1G	1	1	20	
			18	24	934.75	9.36%
	Regulatory Reporting:					
	State Comprehensive Annual Financial Report (PARIS)	2 2A	1			
	Procurement Reports for Thruway Board	2 2B	1	1	79.75	
	State Comptroller's Audit Report Review	2 2C	As needed			
	RESERVED for Other Regulatory Reporting	2 2D	As needed			
			2	1	79.75	0.80%
	Confirmations & Reconciliations					
	Investments & Collateral	2 3B	1			
	Accounts Receivable	2 3C	1			
			2			0.00%
			22	25	1014.5	10.16%
Area 3 - Billings & Contract Compliance						
	Consultants:					
	Audit of Monthly Billings - E-ZPass & AET/TBM Operations & Lane Maint	3 1A	28	19	399	
	Engineering - D Contract Estimates - Office Audits	3 1B	150	47	720.25	
	Engineering - D Contract Estimates - Field Audits	3 1C	2			
	Pre-Award Audits Engineering - D Contracts	3 1D	10	27	321.75	
	Contractor's Claims	3 1E	As needed			
	Processing Contract Payments (est. 600) Pre-Payment Audit	3 1F	As needed			
	Lease & Office Rental Billings (L Contracts)	3 1G	4	4	55	
	Misc Service Billings - C Contracts Drug Testing, Training, Safety, Benefits	3 1H	10	15	84.25	
	Legal & Finance Professional Billings - C Contracts	3 1I	15	18	125.75	
	Real Estate Appraisal billings - C Contracts	3 1J	4	1	6.75	
	Utilities & Municipal Agreements	3 1K	5	12	75.25	
	Railroads / Force Agreements	3 1L	2	7	32.5	
			230	150	1820.5	18.23%
	Governmental Agencies:					
	Department of Law	3 2A	As needed			
	Office of the State Comptroller Billing	3 2B	As needed			
	Department of Civil Service Administration	3 2C	2	2	12	
	NYS Retirement System Billing	3 2D	1	1	34	
	State Police Troop T Payroll (Quarterly)	3 2E	4	4	33	
	State Police Troop T Non-Personal Service costs	3 2F	1	1	90	
	Department of Labor Unemployment Insurance	3 2G	1	1	49.75	
			9	9	218.75	2.19%
	Concessions:					
	Concessionaire Agreements - Repair & Replacement, Cap Imp.	3 3A	3	5	100.5	
	Concessionaire Agreements - Gas Pricing Review	3 3B	2			
	Fuel Service Facilities - Remediations Ongoing	3 3C	20	12	117	
	Other: Assistance to Other Units - Review of RFPs, Draft Contracts and Evaluation Co	3 4A	2	9	93.5	
			27	26	311	3.11%

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2021 Actual Audits Performed	Resource Allocation (Hours)	
Total - Area 3			266	185	2350.25	23.54%
Area 4 - Asset Control						
	Equipment: FIELD AUDITS					
	Motorized Equipment	4 1A	8	4	63.5	
	Office/Computer Equipment	4 1B	4	2	70	
	Shop Equipment	4 1C	5	3	54.25	
	Communications Equipment Inventory	4 1D	1			
	Toll Equipment	4 1E	As needed			
	Tool Complements & Controls	4 1F	5	7	52.5	
	Scrapping or Surplus Assets	4 1G	1			
			24	16	240.25	2.41%
	Inventory:					
	Fuel Inventory Reconciliation	4 2A	1			
	Reconcile Inventories - Division Stores (4 Divisions & Sign Shop)	4 2B	5	8	126	
	Section Stores Inventory Verification	4 2C	7	9	176	
	HQ Supplies Inventory Verification	4 2D	As needed			
			13	17	302	3.02%
	Cash, Checks, Credit cards and Accounts Receivable:					
	Procurement Card Audits	4 3A	4			
	Account Receivable Confirmations	4 3B	1			
	Account Receivable Reconciliation	4 3C	3			
	Cash Funds (petty cash and change funds)	4 3D	4			
	Check Signing reconciliation	4 3E	12	11	222.75	
	Check stock replacement & check register	4 3F	2			
			26	11	222.75	2.23%
Total - Area 4			63	44	765	7.66%
Area 5 - Salary & Benefits - Employees & Retirees						
	Employee Compensation (Payroll & Negotiated Benefits)					
	Salary Raises/Step Advances	5 1A	2	3	872.25	
	Retroactive Salary or Contractual Payments (Call-out Incentive)	5 1B	2	3	314.5	
	Vacation Buyback	5 1C	1			
	Health Insurance Opt-out	5 1D	1	1	41.25	
	Semi-Annual Incentive & Bonus for Non-use Sick Leave	5 1E	4	4	138.5	
	Payoff & Comparison of Payroll to Roster	5 1F	1			
	Commuter Use of TWY Provided Vehicles	5 1G	1	1	100	
			12	12	1466.5	14.69%
	Health Insurance & Other Fringe Benefits:					
	Pre-Implementation Audit of Health Insurance Rates	5 2A	1	1	37.5	
	Reconciliation of TWY Health Insurance Enrollees	5 2B	1			
	Unemployment Billings Review	5 2C	As needed			
	Survivor's Benefit	5 2D	4	3	15	
			6	4	52.5	0.53%
	Time & Attendance: Field Audits					
	Head Counts	5 3A	1			
	Nighttime Audits of Winter Maint.	5 3B	1			
	Verification of Seasonal Employees	5 3C	1			
	Verification of Timekeeper Records	5 3D	4	6	70.25	
			7	6	70.25	0.70%

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2021 Actual Audits Performed	Resource Allocation (Hours)	
	Total - Area 5		25	22	1589.25	15.92%
	TOTAL ALL CATEGORIES		544	364	9985.75	100.00%

* Fiscal Audit also provides assistance to other units upon request, participating in the completion of RFP's/RFQ's, Budget Reports, Accounting Functions, & other Special Projects.

**2022 Audit Accomplishments
Audit Categories and Counts
New York State Thruway Authority**

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2022 Actual Audits Performed	Resource Allocation (Hours)	
Area 1 - Revenues & Reimbursements						
E-ZPass:						
	Reserved for Projects - Credit Card Processing Vendor Review	1 1A	1	0	0	
	Quarterly Collections Customer Payments Vendor To Vendor Recd	1 1B	4	3	43	
	NYS Bridge Authority Quarterly Chargeback Billings	1 1C	4	5	158	
	Credit Card Quarterly Chargeback Billings	1 1D	4	7	220	
	Annual State Police E-ZPass tag billing	1 1E	1	1	2	
	VDOT Annual IAG Fees Billing	1 1F	1	1	25	
	Collections Vendor Revenue Remittance & Reporting	1 1G	4	18	94	
	Niagara Frontier Bridge Commission Tag Packages	1 1H	1	1	3	
	Peace Bridge Quarterly Chargeback Billings	1 1I	4	5	43	
	Thousand Island Bridge Authority Quarterly Chargeback Billings	1 1J	4	5	43	
	Quarterly Rejected Transactions Review	1 1K	4	3	70	
	Negative Account Balance Review	1 1L	12	1	7	
			44	50	708	8.95%
Tolls By Mail:						
	Monthly TBM Revenue Entries	1 2A	12	13	337	
	Monthly Review of Wire Transfers	1 2B	12	12	215	
	Quarterly Review of TBM Accounts Receivable	1 2C	4	0	0	
	Violations Revenue and Fees Recovery	1 2D	12	0	0	
	Gantry Image Quality	1 2E	12	0	0	
	Toll System Transaction Audits Comparison Gantry to Vendor	1 2F	12	12	53	
	Video Classification Audits N1 and Random Audit	1 2G	24	8	216	
	Rejected Video Transaction Audits - Images, DMV	1 2H	24	0	0	
	RESERVED	1 2I	As needed	0	0	
	Audit of Discount Plans	1 2J	6	0	0	
	Special Projects - Integrate BOTs	1 2K	1	0	0	
	Monthly Conduent Status Audit	1 2L	12	0	0	
	Special Projects - Toll Rate Changes, Non-Rev, etc.	1 2M	6	0	0	
			137	45	821	10.37%
Concession Revenue:						
	Service Station Rentals	1 3A	2	2	150	
	Service Station - Other	1 3B	As needed	0	0	
	Restaurant Rentals	1 3C	1	0	0	
	Restaurant - Review of New Restaurant Construction	1 3D	1	0	0	
			4	2	150	1.90%
Federal Disaster Assistance, Claims & Grants						
	FEMA/FHWA Thruway	1 4A	6	2	51	
	FEMA/FHWA Canal (closeouts of previous awards)	1 4B	2	0	0	
	Grants - Miscellaneous	1 4C	As needed	0	0	
			8	2	51	0.64%
Other: Reserved for Special Projects - Revenues and Reimbursements						
		1 4D	As needed	1	1400	
			0	1	1400	17.69%
Total - Area 1			193	100	3130	39.55%

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2022 Actual Audits Performed	Resource Allocation (Hours)	
Area 2 - Financial Reporting & Regulatory Compliance						
	Financial Statement Review:					
	Annual Audit Plan For Thruway Board	2 1A	1	1	39	
	E-ZPass and Tolls By Mail Expenses & Budget Review	2 1B	1	0	0	
	Review of Audited Financial Statements, Notes & External Auditor'	2 1C	1	1	104	
	Pre-Audit of Monthly Financial Statements	2 1D	12	12	231	
	Assist Accounting Year End Estimated Liability for Environmental C	2 1E	1	1	38	
	Assist Accounting Year End Contract Liability set-ups - Operating	2 1F	1	2	272	
	Assist Accounting Year End Vacation Liability	2 1G	1	1	30	
	Assist Accounting Year End Contract Liability set-ups - Capital	2 1H	1	0	0	
			19	18	714	9.02%
	Regulatory Reporting:					
	RESERVED for Other Regulatory Reporting	2 2A	As needed			
	Annual Public Authority Data Request (PARIS)/Board	2 2B	1	1	67	
	State Comptroller's Audit Report Review	2 2C	As needed			
			1	1	67	0.85%
	Confirmations & Reconciliations					
	Investments & Collateral	2 3B	1	0	0	
	Accounts Receivable	2 3C	1	0	0	
			2	0	0	0.00%
	Total - Area 2		22	19	781	9.87%
Area 3 - Billings & Contract Compliance						
	Consultants:					
	Audit of Monthly Billings - Toll Collection Related	3 1A	28	22	454	
	Engineering - D Contract Estimates - Office Audits	3 1B	125	73	897	
	Engineering - D Contract Estimates - Field Audits	3 1C	2	0	0	
	Pre-Award Audits Engineering - D Contracts	3 1D	10	10	94	
	Contractor's Claims	3 1E	As needed	0	0	
	Processing Contract Payments (est. 600) Pre-Payment Audit	3 1F	1	0	0	
	Lease & Office Rental Billings (L Contracts)	3 1G	4	4	74	
	Misc Service Billings - C Contracts Drug Testing, Training, Safety,	3 1H	15	20	116	
	Legal & Finance Professional Billings - C Contracts	3 1I	15	12	49	
	Real Estate Appraisal billings - C Contracts	3 1J	4	1	7	
	Utilities & Municipal Agreements	3 1K	5	6	23	
	Railroads / Force Agreements	3 1L	2	5	45	
			211	153	1759	22.23%
	Governmental Agencies:					
	Department of Law	3 2A	As needed	0	0	
	Office of the State Comptroller Billing	3 2B	As needed	0	0	
	Department of Civil Service Administration	3 2C	2	2	16	
	NYS Retirement System Billing	3 2D	1	1	10	
	State Police Troop T Payroll (Quarterly)	3 2E	4	4	56	
	State Police Troop T Non-Personal Service costs	3 2F	1	1	60	
	Department of Labor Unemployment Insurance	3 2G	1	2	21	
			9	10	163	2.06%

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2022 Actual Audits Performed	Resource Allocation (Hours)	
Concessions:						
	Concessionaire Agreements - Repair & Replacement, Cap Imp.	3 3A	2	1	17	
	Concessionaire Agreements - Gas Pricing Review	3 3B	2	0	0	
	Fuel Service Facilities - Remediations Ongoing	3 3C	12	10	33	
Other:	Assistance to Other Units - Review of RFPs and Draft Contracts, E	3 4A	2	2	56	
			18	13	106	1.34%
Total - Area 3			238	176	2028	25.63%
Area 4 - Asset Control						
Equipment: FIELD AUDITS						
	Motorized Equipment	4 1A	16	0	0	
	Office/Computer Equipment	4 1B	8	9	427	
	Shop Equipment	4 1C	5	1	9	
	Communications Equipment Inventory	4 1D	1	0	0	
	Toll Equipment	4 1E	As needed	0	0	
	Tool Complements & Controls	4 1F	5	18	165	
	Scrapping or Surplus Assets	4 1G	1	0	0	
			36	28	601	7.59%
Inventory:						
	Fuel Inventory Reconciliation	4 2A	1	0	0	
	Reconcile Inventories - Division Stores (4 Divisions & Sign Shop)	4 2B	5	12	234	
	Section Stores Inventory Verification	4 2C	7	7	60	
	HQ Supplies Inventory Verification	4 2D	As needed	0	0	
			13	19	294	3.71%
Cash, Checks, Credit cards and Accounts Receivable:						
	Procurement Card Audits	4 3A	4	0	0	
	Account Receivable Confirmations	4 3B	1	0	0	
	Account Receivable Reconciliation	4 3C	1	0	0	
	Cash Funds (petty cash and change funds)	4 3D	5	0	0	
	Check Signing reconciliation	4 3E	12	13	229	
			23	13	229	2.89%
Total - Area 4			72	60	1124	14.20%
Area 5 - Salary & Benefits - Employees & Retirees						
Employee Compensation (Payroll & Negotiated Benefits)						
	Salary Raises/Step Advances	5 1A	2	3	365	
	Retroactive Salary or Contractual Payments (Call-out Incentive)	5 1B	2	1	99	
	Vacation Buyback	5 1C	1	1	23	
	Health Insurance Opt-out	5 1D	1	1	35	
	Semi-Annual Incentive & Bonus for Non-use Sick Leave	5 1E	4	4	114	
	Payoff & Comparison of Payroll to Roster	5 1F	1	0	0	
	Commuter Use of TWY Provided Vehicles	5 1G	1	1	100	
			12	11	736	9.30%

Audit Area	Category Description	Audit Category Number	Resource Allocation (Number of Audits)	2022 Actual Audits Performed	Resource Allocation (Hours)	
	Health Insurance & Other Fringe Benefits:					
	Pre-Implementation Audit of Health Insurance Rates	5 2A	1	1	38	
	Reconciliation of TWY Health Insurance Enrollees	5 2B	1	0	0	
	Unemployment Billings Review	5 2C	As needed	0	0	
	Survivor's Benefit	5 2D	4	4	10	
			6	5	48	0.61%
	Time & Attendance: Field Audits					
	Head Counts	5 3A	1	0	0	
	Nighttime Audits of Winter Maint.	5 3B	0	0	0	
	Verification of Seasonal Employees	5 3C	1	0	0	
	Verification of Timekeeper Records	5 3D	8	14	67	
			10	14	67	0.85%
	Total - Area 5		28	30	851	10.75%
	TOTAL ALL CATEGORIES		553	385	7914	100.00%