
CITY OF SAN ANTONIO

OFFICE OF THE CITY AUDITOR



Audit of Transportation and Capital Improvements Department

Advanced Transportation District Fund

Project No. AU16-029

March 9, 2016

Kevin W. Barthold, CPA, CIA, CISA
City Auditor

Executive Summary

As part of our annual Audit Plan approved by City Council, we conducted an audit of the Transportation and Capital Improvements (TCI) Department, specifically the Advanced Transportation Fund (ATD). The audit objective, conclusion, and recommendation follow:

Are ATD Expenditures and Funding managed in accordance with State statutes and City ordinance?

Yes, key management controls are in place to ensure ATD expenditures and funding is in accordance with State statutes and City ordinance. TCI management controls were effective to ensure ATD projects were accurately supported and approved. In addition, the ATD funds were used to improve transportation mobility.

Specifically, the contracted ATD projects were accurately supported and approved. In-house projects were completed as stated in the Infrastructure Management Plan (IMP) and in compliance with ATD statutes and City ordinance. Overall, no issues were identified within the contracted and in-house ATD projects.

We make no recommendations to TCI; consequently, no management responses are required. Management's acknowledgment of these results is in Appendix B on page 5.

Table of Contents

Executive Summary	i
Background.....	1
Audit Scope and Methodology	2
Audit Results and Recommendations	3
A. ATD Project Funding	3
Appendix A – Staff Acknowledgement	4
Appendix B – Management Response.....	5

Background

In November 2004, San Antonio voters approved the creation of the Advanced Transportation District (ATD). The ATD fund accounts for revenues and expenditures of the ATD program, which delivers projects that improve mobility, traffic congestion, and neighborhood connectivity.

Of the 8.25% City sales tax, $\frac{1}{4}$ of a cent goes to ATD funds, which are allocated 50% to VIA Metropolitan Transit, 25% to the City, and 25% to Texas Department of Transportation. Fiscal year 2016 adopted budget for ATD totaled \$18.4¹ million allocated as \$12.4 million for capital projects and \$4.4 million for operating expenditures. Projects include bike facilities, bus pads, school zone markings, traffic signal detection, audible pedestrian signals, and improvements to sidewalks and intersections.

The ATD projects are administered as part of the City's Infrastructure Management Plan (IMP), which focuses on the maintenance of the City's infrastructure. The plan is a five-year rolling program that identifies service needs citywide and schedules projects that improve transportation mobility. ATD projects are completed by in-house staff or contracted out to various companies. The table below depicts ATD expenditures by project type over the last 3 fiscal years:

Project Types	FY2013		FY2014		FY2015	
	Project Count	Estimated Cost	Project Count	Estimated Cost	Project Count	Estimated Cost
Asphalt Overlay - Contract	21	\$4,524,652	0	\$0	0	\$0
Audible Countdown Pedestrian Signals	6	\$98,250	10	\$100,000	2	\$53,203
Audible Countdown Pedestrian Signals/Ramps	16	\$198,400	0	\$0	1	\$46,797
Bike Facilities	8	\$1,016,000	15	\$908,000	11	\$960,000
Bus Pads	27	\$675,000	17	\$425,000	16	\$400,000
Intersection Improvements	7	\$2,100,000	1	\$500,000	44	\$1,320,000
School Flasher Upgrade	957	\$1,441,183	0	\$0	0	\$0
School Zone Pavement Upgrade (Crosswalks)	44	\$56,571	46	\$46,694	50	\$100,443
Sidewalks	42	\$5,701,302	50	\$7,723,185	71	\$8,454,109
Traffic Signal Detection	0	\$0	1	\$25,000	14	\$501,954
Uninterruptible Power Supplies	4	\$75,000	8	\$75,000	9	\$75,000
Video Imaging Vehicle Detection Systems	20	\$500,000	19	\$475,000	0	\$0
Total	1,152	\$16,386,358	167	\$10,277,879	218	\$11,911,506

¹ Includes estimated revenues of \$15.9 million plus a beginning balance in the ATD Fund of \$2.5 million.

Audit Scope and Methodology

The audit scope included contracted and in-house Advanced Transportation District (ATD) projects for fiscal years 2013, 2014 and 2015.

We interviewed various project managers to obtain an understanding of ATD funding process and the selection of ATD projects. Additionally, we interviewed Transportation and Capital Improvements (TCI) fiscal staff to obtain an understanding of the invoicing and payment process.

We performed physical observation of in-house projects related to the installation of upgraded school flashers throughout the City of San Antonio. In addition, we confirmed the installation of the Video Imaging Vehicle Detection Systems (VIVDS) located at various intersections.

We tested 30 contracted ATD sidewalk projects, 10 from each fiscal year of the audit scope to verify they were accurately supported and properly approved. We reviewed 30 contracted ATD projects other than sidewalks, 10 from each fiscal year of the audit scope, to verify they were accurately supported and properly approved. In addition, we reviewed invoices for all projects tested to verify the ATD expenditures were allowable.

We relied on computer-processed data in the PrimeLink system to validate the accuracy and approval of ATD project costs. Our reliance was based on performing direct tests on the data rather than evaluating the system's general and application controls. Our direct testing included verifying the invoice amount was supported and approved. We do not believe that the absence of testing general and application controls had an effect on the results of our audit.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our results and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

Audit Results

A. ATD Project Funding

A.1 Contracted ATD Projects

TCI has adequate controls in place to ensure ATD funds are expensed appropriately and the projects are supported and approved. We reviewed a sample of 60 contracted ATD projects valued at approximately \$6M and determined they were properly supported and approved. In addition, we verified the project expenditures were an appropriate use of the ATD funds.

A.2 In-House ATD Projects

TCI had adequate controls to ensure the in-house ATD projects were completed in accordance with the Infrastructure Management Plan (IMP). Specifically, we physically observed that 25 upgraded school flashers were installed at their designated location. In addition, we confirmed 39 Video Imaging Vehicle Detection Systems (VIVDS) were installed at the proper intersections. In addition, we verified the project expenditures were an appropriate use of the ATD funds.

Recommendations

None

Appendix A – Staff Acknowledgement

Buddy Vargas, CFE, Audit Manager
Danny Zuniga, CPA, CIA, Auditor in Charge
Lorenzo Garza, Auditor

Appendix B – Management Response



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

February 12, 2016

Kevin W. Barthold, CPA, CIA, CISA
City Auditor
San Antonio, Texas

RE: Management's Acknowledgement of its Review of Audit of Transportation and Capital Improvements Department's Advanced Transportation District

Transportation and Capital Improvements (TCI) has reviewed the audit report and provided its comments to the auditors. As there are no recommendations for management, no management responses are required. TCI would like to thank the Office of the City Auditor for their time and professionalism.

Transportation and Capital Improvements Department:

☒ Fully Agrees

☐ Does Not Agree (provide detailed comments)

Sincerely,


Mike Frisbie, P.E.
City Engineer / Director
Transportation and Capital Improvements

2-15-16
Date


Peter Zaroni
Deputy City Manager
City Manager's Office

3-1-16
Date