

Module 16

Audit

Contents:

Section 1 — Summary..... 16-2

DRAFT

Section 1

Summary

Provisions in the Advance Funding Agreement (AFA) between TxDOT and the Local Government (LG) dictate the project audit requirements.

The Master Advance Funding Agreement (MAFA), *Provision 22-Inspection of Books and Records* states that

“the State, the Local Government, and the FHWA (if federally funded) and their duly authorized representatives shall have access to all the governmental records that are directly applicable to the agreement for the purposes of making audits, examinations, excerpts, and transcripts”.

In addition, for federally funded agreements, MAFA *Provision 23-Office of Management and Budget Audit Requirements* requires the parties to the agreement to comply with the requirements of the Single Audit Act of 1984...ensuring that the single audit report includes the coverage stipulated in OMB Circular No. A-133.

The MAFA is found at:

<ftp://ftp.dot.state.tx.us/pub/txdot-info/cso/mafafinal.pdf>

The OMB Circular A-133 is found at:

<http://www.whitehouse.gov/omb/circulars/a133/a133.html>

If there is some concern over project records or finances, the TxDOT District Engineer (DE) can request an audit of a project by the TxDOT Audit Office.