

Local Transportation Capital Improvement Program Expenditure Summary Form

The following is a brief summary of the audit requirements for the Local Transportation Capital Improvement Program (LOTICIP), which apply to both municipalities and Regional Planning Organizations that receive funding under this program. For your convenience, the *Local Transportation Capital Improvement Program Expenditure Summary Form* can be found on the Department's website at <http://www.ct.gov/dot/cwp/view.asp?a=2303&Q=536574&PM=1>. Questions regarding the form can be directed to Kelly.Cain@ct.gov or via phone at 860-594-2981.

Municipalities and audited agencies (includes a regional planning agency, council of governments, or regional council of elected officials) that expend state financial assistance equal to or in excess of three hundred thousand dollars in a fiscal year are subject to a single audit and must adhere to audit requirements specified in the State Single Audit Act (Chapter 55b of the Connecticut General Statutes). Guidance and technical assistance for the State Single Audit can be obtained through the Office of Policy and Management's Intergovernmental Policy Division, Municipal Finance Services Unit. As part of the annual audit process, the *Local Transportation Capital Improvement Program Guidelines* dated November 2013, stipulate that municipalities and Regional Planning Organizations must notify their independent auditor that they have received funds under the LOTICIP. The Independent auditor shall then identify expenditures directly related to the LOTICIP separately from other State financial assistance using the attached *Local Transportation Capital Improvement Program Expenditure Summary Form*. Municipalities should forward completed forms to the appropriate Regional Planning Organization. The Regional Planning Organizations should then forward copies of the municipal forms, along with their own completed form if required, to Mr. Hugh H. Hayward, P.E., Highway Design, Local Roads. An electronic version can be submitted to Hugh.Hayward@ct.gov.

The intent of this form is to provide verification by an independent auditor that funds granted to a municipality or Regional Planning Organization have been FULLY expended for the intended purpose, therefore, only expenditures for construction phases and/or studies need to be reported on this form (unexpended funds must be returned to the Department per the LOTICIP guidelines). ROW expenditures approved for LOTICIP will either be reimbursed or incurred by the Department. If a municipality is reimbursed for ROW costs incurred, a payment will be made upon receipt by the Department of required documents supporting the acquisition costs as stated in the LOTICIP guidelines, therefore, expenditure verification by an auditor is not required. If a ROW phase is to be administered by the Department, LOTICIP funding from the appropriate regional summary project will be utilized to fund acquisitions and Department ROW personnel costs, which will be recorded in the State Core-CT accounting system. Expenditure status of LOTICIP funding received by the Regional Planning Organizations for administration of the program should be reported by the RPOs on the *LOTICIP Regional Quarterly Status Report*.

Section 7-393 of the General Statutes stipulates that certified copies of the annual audit report shall be filed within six months from the end of the fiscal year of the auditee. Copies of the *Local Transportation Capital Improvement Program Expenditure Summary Form* should be filed with the CTDOT Local Roads section within 30 days of completion of the annual audit report, and no later than six months after the end of the audit period.

When does the requirement to complete the *Local Transportation Capital Improvement Program Expenditure Summary Form* become effective? The LOTICIP was authorized under Public Act 13-239, with an effective date of November 1, 2013. A review of payments made under the LOTICIP in the State's Core-CT system has determined that there have been no payments to municipalities or Regional Planning Organizations for construction projects or studies as of June 30, 2014, therefore, the first submission of the *Local Transportation Capital Improvement Program Expenditure Summary Form* (if required) should be for the fiscal year that begins July 1, 2014.