

# **LBA Financial Audit Report Summary:**

**Highway Safety Agency, Financial Audit Report for the Nine Months Ended March 31, 2010**

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## **Reporting Entity And Scope**

The reporting entity of this audit and audit report is the New Hampshire Highway Safety Agency. The scope of this audit and audit report includes the financial activity of the Highway Safety Agency for the nine months ended March 31, 2010. Unless otherwise indicated, reference to the Agency or auditee refers to the Highway Safety Agency.

## **Organization**

The State Highway Safety Agency is created in RSA 238:7. The statute also provides for the Governor, with the consent of the Council, to appoint a State Coordinator of Highway Safety, who shall be an unclassified employee and who shall hold office for a term of five years. The Coordinator is the Governor's liaison with the National Highway Traffic Safety Administration and aids the Governor in the coordination of interdepartmental activities and those of the various federal and State political subdivisions, including Federal Highway Administration, State, county, and local highway safety groups.

A 15-member Traffic Safety Commission is established in RSA 238:10. Pursuant to RSA 238:11, the Commission is authorized to act in an advisory capacity to the State Coordinator of Highway Safety.

The Highway Safety Coordinator oversees a staff of six full-time employees.

The Highway Safety Agency Office is located at 78 Regional Drive, Building 2, Concord, New Hampshire 03301-8530.

## **Responsibilities**

Pursuant to RSA 238:1, it is the policy of the State and in the public interest to have a highway safety program designed to reduce traffic accidents and the deaths, injuries, and property damage resulting therefrom. Programs mentioned in the statute include improvement of driver and pedestrian performance, an accident record system, accident investigations, vehicle registration, operation and inspection, highway design and maintenance, traffic control, vehicle codes and laws, surveillance of traffic, and emergency services. The Highway Safety Agency is the agency responsible under the executive direction of the Governor to develop and implement a statewide program designed to reduce traffic crashes and the resulting deaths, injuries and property damage

## **Funding**

The financial activity of the Highway Safety Agency is accounted for in the General Fund of the State of New Hampshire. A summary of revenues and expenditures for the nine months ended March 31, 2010 is shown in the following schedule.

<b>Highway Safety Agency</b>	
<b>Summary Of Revenues And Expenditures</b>	
<b>For The Nine Months Ended March 31, 2010</b>	
	<u><b>General Fund</b></u>
Revenues	
Federal Operating Grants	\$ 1,974,432
Transfers From Department Of Transportation	<u>301,081</u>
Total Revenues	<u><u>2,275,513</u></u>
Total Expenditures	<u><u>2,275,513</u></u>
<b>Excess (Deficiency) Of Revenues</b>	
<b>Over (Under) Expenditures</b>	<u><u>\$ -0-</u></u>

The auditor's report on the Highway Safety Agency's financial statement was qualified, as the financial statement does not constitute a complete financial presentation of the Agency in the General Fund.

The audit report includes the auditor's report on internal control over financial reporting and on compliance and other matters and an auditor's report on other management issues. The following is a list of the comments in the report.

***Internal Control Comments***

*Significant Deficiencies*

- Risk Of Reliance On Key Employees Should Be Mitigated
- Reporting Requirements For Subgrantees Should Be Enforced

***Compliance Comments***

*Federal Compliance Comments*

- State And Federal Procurement Requirements Should Be Followed
- Procedures To Ensure And Demonstrate Compliance With Maintenance Of Efforts Requirements Should Be Implemented

- Procedures Related To Federal Suspension And Debarment Requirements Should Be Strengthened

*State Compliance Comments*

- State Controls Should Be Utilized For Agency Contractual And Grant Agreements
- Procedures Should Be Established To Support The Timely Filing Of Statements Of Financial Interests
- Leave Applications Should Be Completed In Compliance With State Rules
- Biennial Report Should Be Issued

***Management Issue***

- Efforts To Obligate And Expend Available Federal Program Funds Should Be Strengthened