

LBA Financial Audit Report Summary:

Highway Safety Agency For The Nine Months Ended March 31, 1999

RSA 238:7 establishes the State Highway Safety Agency (the Agency) which is responsible, under the executive direction of the Governor, for developing and implementing the State's highway safety program. The Governor, with the consent of the council, appoints a state coordinator of highway safety, an unclassified employee, to a five year term. 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 political subdivisions.

The Agency is located at 117 Manchester Street, Concord, New Hampshire. On March 31, 1999, the Agency was staffed with seven employees, including the coordinator.

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 policy is carried out by the Agency through the work of its staff and the grants that the Agency issues to State agencies and local government organizations.

During the nine months ended March 31, 1999, the Agency issued approximately \$761,000 in Highway Safety Grants to promote highway safety programs in the State. More detail on these grants is presented graphically on page three.

The Highway Safety Agency is funded by appropriations in the General and Special Funds. Revenue is received primarily in the form of grants from the federal government. The financial activity of the Agency, as reported in the General and Special Funds for the nine months ended March 31, 1999, is summarized in the following table.

Summary Of Revenues And Expenditures
Nine Months Ended March 31, 1999

	<u>General Fund</u>	<u>Special Fund</u>	<u>Total</u>
Total Revenues	\$ 285,515	\$ 738,927	\$ 1,024,442
Total Expenditures	\$ 281,132	\$ 769,230	\$ 1,050,362
Excess (Deficiency) Of Revenues Over (Under) Expenditures	\$ 4,383	\$ (30,303)	\$ (25,920)

The audit report included auditor's reports on compliance and on internal control over financial reporting and on management issues. The following table lists the topics of the comments in the report.

Internal Control Comments

- Monitoring Of Grantee Procurement Should Be Improved
- Monitoring Of Grantee Adherence To Project Budgets Should Be Improved
- Grantee Reporting Requirements Should Be Reviewed

State Compliance Comments

- Annual Employee Evaluations Should Be Prepared

Management Issues Comments

- Determination Of Employee Or Independent Contractor Status Should Be Made
- Manual Federal Grant Ledger Should Be Automated
- Reporting Of Commuter Use Of State-Owned Motor Vehicles Should Be Improved
- Cross Training In GTS Should Be Considered

The auditor's report on the Agency's financial statement was qualified due to lack of presentation of the financial position of the Agency in the State's General Fund.