



INDIANA DEPARTMENT OF TRANSPORTATION

INDIANAPOLIS, INDIANA 46204

March 19th, 2014

Re: Reminder to all Local Public Agencies

Local Public Agency partners:

The State considers the LPA to be a “sub-recipient” for purposes of the INDOT/LPA Contract. However, if required by applicable provisions of the Office of Management and Budget Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations), following the expiration of the INDOT/LPA Contract the LPA shall arrange for a financial and compliance audit of funds provided by the State pursuant to the INDOT/LPA Contract. Such audit is to be conducted by an independent public or certified public accountant (or as applicable, the Indiana State Board of Accounts), and performed in accordance with Indiana State Board of Accounts publication entitled “Uniform Compliance Guidelines for Examination of Entities Receiving Financial Assistance from Governmental Sources,” and applicable provisions of the Office of Management and Budget Circulars A-133 (Audits of States, Local Governments, and Non-Profit Organizations).

The LPA is responsible for ensuring that the audit and any management letters are completed and forwarded to the State in accordance with the terms of the INDOT/LPA Contract.

Audits conducted pursuant to this paragraph must be submitted no later than nine (9) months following the close of the LPA’s fiscal year. The LPA agrees to provide the Indiana State Board of Accounts and the State an original of all financial and compliance audits. The audit shall be an audit of the actual entity, or distinct portion thereof that is the LPA, and not of a parent, member, or subsidiary corporation of the LPA, except to the extent such an expanded audit may be determined by the Indiana State Board of Accounts or the State to be in the best interests of the State. The audit shall include a statement from the Auditor that the Auditor has reviewed this Contract and that the LPA is not out of compliance with the financial aspects of this Contract.

This requirement is also stated in the INDOT/LPA contract in Section VI, General Provisions, C. Audits.

Thank you,

A handwritten signature in cursive script that reads "Kathy Eaton-McKalip".

Kathy Eaton-McKalip