

FHWA/MoDOT Partnering Agreement

Audits and Investigations/Financial Services Division

Roles and Responsibilities of FHWA and MoDOT:

The following activities require coordination between FHWA and MoDOT within the agreed timeframes. In this agreement, all reference to days denotes business days. FHWA and MoDOT agree to work as true partners.

ROLES AND RESPONSIBILITIES

Project Close Out and Agreed Upon Procedures Engagements

1. MoDOT and FHWA will manage the project closeout as outlined in 2 CFR 200.344, including but not limited to, liquidating all financial obligations incurred no later than 120 calendar days after the period of performance.
2. MoDOT and FHWA will ensure full utilization of available funds.
3. MoDOT and FHWA will take proactive measures to manage inactive projects, as described in 23 CFR 630.106(5).

Finalize Projects

Applicable to Projects Available for Close Out

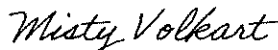
1. MoDOT and FHWA will close projects on a timely basis. The timelines below are contingent on documented unique factors impacting the project closeout process.
 - Financial Services will enter the projects that received a final invoice into the shared Access database. Finalized project information will be available following the end of each calendar month creating a population of project files available for engagement procedures. Availability will be determined based on final invoice received from vendor.
 - AI will judgmentally select projects monthly after notification from FS that the shared Access database has been updated for engagement based on risk assessments and agreed-upon procedures in accordance with *Government Auditing Standards*.
 - The sample size selected for potential engagements will be 10-15% of federal and state funded projects that have been entered into the shared Access database. The sample size may be expanded or reduced based on risk assessments and the number of projects in the AI selection queue for potential engagement. AI will communicate to FS after each monthly selection those projects selected for potential engagements.
 - FS will close out projects, regardless of whether they are selected for potential engagement or not. MoDOT and FHWA agree closed projects may be reopened, due to engagement findings, to

address any necessary financial actions. It is agreed that requests to have closed files reopened will be held to a minimum as to not create additional workload on staff.

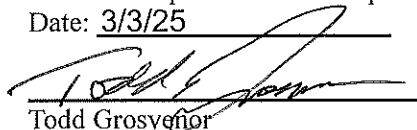
- AI has unrestricted access for audit or engagement to any and all project files, closed or otherwise, as authorized in the Audit Charter of the Missouri Highways and Transportation Commission's (MHTC) Audit Committee.
 - FS will maintain the selected project files until at a minimum the project selected for potential engagement has been deselected or the engagement is final.
 - AI will request the project file(s) or links to the project file(s) from FS at the start of each engagement, which will be performed as scheduling allows.
 - AI will continue to monitor the number and age of projects in the AI selection queue or under engagement to ensure timely actions can be taken for the engagement. The number of projects in the AI selection queue will fluctuate due to variables in risk assessment results, complexity, workload, and cooperation of auditee. AI will select a smaller sample size to control the total projects selected for potential engagement.
 - Upon determination of project dates approaching or meeting the three-year agreement mark, AI reviews the project file to determine if there are any obvious issues and then de-selects the project if none are noted. FS is notified of the de-selected projects.
2. MoDOT and FHWA agree FS will randomly review documentation that supports charges for reimbursement prior to closing projects not selected by AI.

This agreement will be reviewed and updated, as needed, on an annual basis.

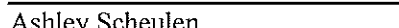
IN WITNESS WHEREOF, the parties have entered into this Agreement on the date last written below.




Misty Volkart
Audits and Investigations Director
Missouri Department of Transportation
Date: 3/3/25



Todd Grosvenor
Financial Services Director
Missouri Department of Transportation
Date: 3-4-25


Ashley Scheulen
Transportation Finance Manager
Federal Highway Administration – Missouri Division
Date: 3/4/25


Lauren Paulwell
Services Team Leader
Federal Highway Administration – Missouri Division
Date: _____