WSDOT Toll Collection Replacement Project

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Office of the Washington State Auditor
Pat McCarthy

Today's presentation

- Overview SAO and performance audits
- Timeline of the performance audit
- Scope and objectives of this performance audit
- Methods and criteria
- Questions

A little bit about the State Auditor's Office

Pat McCarthy is Washington's elected State Auditor

The Auditor's Office has four primary divisions:

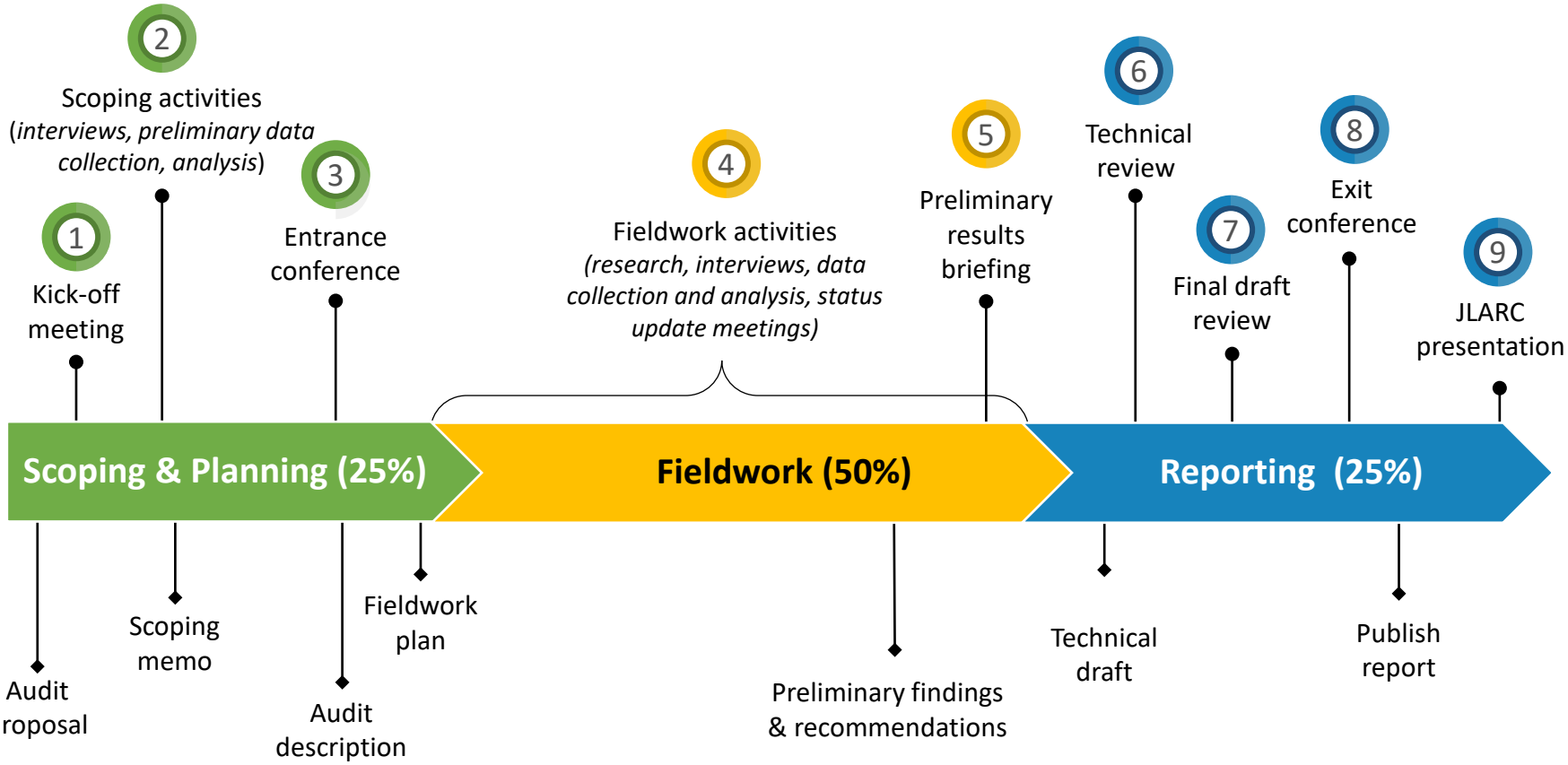
- **State Audit** (financial, accountability and fraud)
- **Local Audit** (financial, accountability and fraud)
- **IT Audit** (cybersecurity, IT system reviews, data)
- **Performance Audit** (a variety of topics)

What's different about a performance audit?

- A performance audit is an analysis that answers a question
- In Washington, they were authorized by I-900 in 2006, and are usually paid for with a portion of sales tax revenue
- Financial and accountability audits focus on compliance
- Performance audits focus on identifying opportunities for improving program performance

Performance audit timeline

SAO communication with audited agencies



SAO internal deliverables

Tentative audit timeline

Month	Audit phase
February	End audit planning / begin fieldwork
March	Fieldwork
April	
May	
June	Complete fieldwork / begin report writing
July	Reporting
August	
September	Send technical draft to agencies
October	Send for formal review and comment
November	Report publication
December	JLARC presentation

Why *this* performance audit?

This is a legislatively mandated audit:

SSB 5163 Sec. 209 (4) mandates a "performance audit of the department's project to replace its electronic toll collection system."

This mandate sets the scope of the audit:

"The audit should include an evaluation of the department's project planning, vendor procurement, contract management and project oversight."

Our audit objectives

The audit seeks to answer the following questions:

1. Did WSDOT's project planning process accurately identify critical needs and risks of the project before starting its procurement process?

2. Did WSDOT's procurement and vendor selection approach address its project needs and project risks?

3. Are there opportunities for WSDOT to reduce risk and improve vendor accountability in its contract management and project oversight processes?

To answer the objectives, we will:

- Interview WSDOT project staff/contracting staff to deepen our understanding of planning, procurement and project oversight
- Review and compare WSDOT's performance to relevant laws, requirements and best practices
- Request and analyze budget and financial data to determine costs of project delays

Questions, comments and discussion

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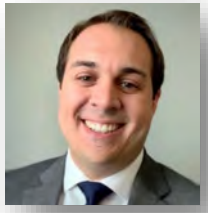

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