

Executive Summary

NTTA's Audit and Reconciliation – All Electronic Toll Collection

The NTTA has embarked on a transition to Electronic Toll Collection and ZipCash in all lanes; the Revenue Audit Department needs to change to support this transition. The changes planned will include change in audit from cash to ETC and ZipCash utilizing existing staffing levels as used for cash audit today. Additional facilities shall be included in the audit as a result of Toll Service Agreements.

Overview

- The NTTA has incorporated ZipCash as of January 31, 2007.
- The Board has approved a plan for removing cash toll collection in the lanes.
- As NTTA changes its' Toll Collection methods, the Revenue Audit Department will determine potential areas for revenue leakage and adapt preventative measures to minimize variances.
- Transition of Audit responsibilities will be accomplished by: Analyzing, Defining, Implementing and Documenting processes and procedures.

Goals

- Minimize toll revenue variance.
- Maximize TollTag transaction posting.
- Maximize audit and audit-ability of TollTag transactions and VTolls including Interoperable transactions to maximize the customer's experience.
- Minimize NTTA's leakage.
- Define process for periodic audits of Customer Service shifts.
- Define process for audit of Customer Service cash deposits.
- Ensure chain of custody of money.
- Reconciliation of Toll Collection system to journal entries.
- Identify potential system issues as they relate to Toll Collection in a proactive manner.

Existing Responsibilities:

Audit, Analyze, Reconcile, and Report Traffic and Revenue

1. Revenue Audit Clerks (Quantity: 3)
 - a. Reconcile vault and toll attendant shifts (Cash Audit)
2. Revenue Audit Analyst (Quantity: 1)
 - a. Evaluate notifications to determine implications on Cash Audit
3. Senior Revenue Audit Analysts (Quantity: 2)
 - a. Audit and reconcile complicated anomalies
 - b. Perform quality review
 - c. Perform revenue assurance

- d. Train staff
- 4. Revenue Audit Manager (Quantity: 1)
 - a. Manage and coordinate the Revenue Audit Department
 - b. Distribute reconciled reports
 - c. Close month in a timely fashion

Transitioned Responsibilities:

Audit, Analyze, Reconcile, and Report Traffic and Revenue

- 1. Revenue Audit Clerks (Quantity: 3)
 - a. Reconcile Transactions and Images
 - b. Reconcile Image Disposition and Quality
 - c. Reconcile TollTag Transactions
 - d. Reconcile VTolls
 - e. Audit Class Mismatches
 - f. Perform License Plate Verification
- 2. Revenue Audit Analyst (Quantity: 1)
 - a. Reconcile Interoperable Accounts
 - b. Review and Resolve Unposted Transactions
 - c. Audit Cash Fund and Internal Bank
 - d. Tag Validation List Data Verification
 - e. Audit Incidental Fees
- 3. Senior Revenue Audit Analysts (Quantity: 2)
 - a. Audit Invoice Excusals and Discounts
 - b. Audit Refunds, Other Credits and Debits
 - c. Reconcile Bank Deposits (Cash and Credit)
 - d. Reconcile Toll-related Ledger Activity
 - e. Resolve Reconciliation Discrepancies
 - f. Audit/Monitor/Calculate TSA Performance Measures
- 4. Revenue Audit Manager (Quantity: 1)
 - a. Manage and coordinate the Revenue Audit Department
 - b. Distribute reconciled reports
 - c. Close month in a timely fashion

Typical Reconciling Items (High-Level)

Item	What	Why	Resolution
1	Images and Transactions 1. Determine and verify we are not missing images from any location. 2. Verify that no transactions are lost. 3. Verify that no images are lost through the life cycle of an image.	The NTTA is dependant on the collection of transactions and images for revenue collection.	If images are missing: 1. Determine if the files were never saved (all images references are there, but there are transactions without images). 2. If image references are missing, notify IT.
2	Images – Image Disposition/Quality 1. Verify that images are being reviewed by OCR	The NTTA is dependant on the accurate review of images for toll collection of ZipCash. This will also	If image disposition requires Roadway maintenance: 1. Notify Roadway Support with detail of findings and

Item	What	Why	Resolution
	and manually, correctly. 2. Review trends and value of rejected images.	help to identify potential image quality issues such as camera focus, angle, illumination, etc.	location(s). If image disposition requires retraining and guidance during image review: 1. Notify CSC with review information and recommendations for quality improvement.
3	Excusals and Discounted Payments. Review invoices (both ZipCash and Violation) for excusals by user. Review trends.	Since the NTTA will be more dependant on the revenue generated from invoiced tolls and violation fees there is a need for performing an audit of the excusals and discounts.	If there is a high frequency of excusals or discounts by a CSS, validate role of CSS and notify CSC. If there is a high frequency of excusals or discounts for a Customer, validate information found. Determine who is performing the excusals/discounted transactions and why. Notify CSC or Risk Management. If an excusal code such as 'other', 'VIP' &, 'special vehicle' is used, validate excusal code reason with information found. Notify CSC management or Risk management.
4	Bank Deposit Reconciliation in ARM	Assist with bank deposit (cash and credit card) reconciliation currently performed by Finance. Cross-train audit with this functionality. This will insure timely resolution to discrepancies.	Upon unresolved discrepancy, research with Bank and CSC until resolution is found.
5	Ledger Account Reconciliation in ARM	This is a Finance function that is currently performed by MBI Consulting, Inc. The Audit team's availability will ease the transition of this task to the NTTA.	Perform reconciliation. Upon discrepancy, notify Application Support and Finance of unresolved discrepancies and track discrepancies through resolution.
6	Cash Fund and Internal Bank Audit	Verification of the funds in the CSC Safe	Notify CSC Management or Risk Management upon discrepancy.
7	Class Mismatch Audit and Follow-up	There is substantial potential revenue in TollTags that are mis-classified.	Classify TollTag correctly and notify customer of classification change.
8	TollTag Transaction Reconciliation	Account verification should be performed to insure the validity and accuracy of the transactions posted to accounts, deferred	Notify Application Support should inconsistencies arise.

Item	What	Why	Resolution
		revenue balances, accounts receivables, etc.	
9	Reconciliation of transactions from the lane to the Host. Verifying transactions generated in the lane reached the Host.	Revenue assurance.	If transactions did not get to Host or if duplicates exist notify Application Support and Roadway Support of potential issue.
10	Reconciliation of items from the Host to the CSC. Verifying transactions posted in Host are posted in the CSC.	Revenue assurance and customer service. This can also potentially identify lane problems.	If transactions did not get posted to either system or duplicate transactions exist, notify the applications group via a helpdesk ticket.
11	Research and reconciliation for transactions in the Host that were rejected from posting in the CSC.	Revenue assurance and customer service. This can also potentially identify lane problems.	If transactions are not posted to the CSC, research the tag ID and account. <i>Research the possibility of reposting the transactions.</i>
12	Ensure NTTA visited interoperable transactions balance between the Host and interoperable.	Revenue assurance.	If transactions did not get posted to either system or duplicate transactions exist, notify Application Support. <i>Research the possibility of reposting the transactions.</i>
13	Ensure that NTTA home interoperable transactions balance between the CSC and interoperability.	Revenue assurance.	If transactions did not get posted to either system or duplicate transactions exist, notify the Application Support. <i>Research the possibility of reposting the transactions.</i>
14	Confirm retail transactions against customer accounts.	To ensure complete posting of transactions.	If a transaction did not get posted, notify the Application Support.
15	Confirm interoperable partner Tag Validation List is transferred each day.	To ensure the Tag Validation List file is transferred each day, revenue assurance.	Notify app support that if Tag Validation List file is missing.
16	Research when a credit card used is not the credit card on file.	Revenue Assurance.	Notify CSC management of instances.
17	Monitor and research refunds.	Revenue Assurance.	Identify high frequency refund transaction by CSC employee and credit card number. Verify transactions and information provided. Notify CSC management.
18	Monitor and research 'other credits' to TollTag accounts.	Revenue Assurance.	Identify high frequency refund transaction by CSC employee and account number. Verify transactions and information provided. Notify CSC management.
19	Monitor TollTag and velcro fulfillments to ensure they are being completed in allotted timeframe.	Customer Service Quality Assurance. Monitor for performance.	If fulfillments are in queue longer than 4 days, notify CSC management, via email, for complete processing of fulfillment requests.

Item	What	Why	Resolution
20	Monitor Shifts to ensure they are closed within one business day.	Revenue Assurance. To ensure complete transaction postings.	If shifts are in an open status for more than a day, notify CSC management,.
21	Reconciling SCIP, CSC, and VPS shifts to ensure amounts are consistent between systems. <i>This will go away with the upgrade.</i> Monitor and research force closure of shifts.	Monitor performance trends and identify potential collusion and theft, as well as resolve any potential discrepancies. Shift level discrepancies may be a result of payments not being processed correctly.	Notify the Application Support and CSC Management to assist in the resolution, if needed.
22	Reconcile VTolls between CSC to VPS.	To ensure complete transaction postings.	Notify the Application Support. Application Support will then verify VToll posting is working correctly or resolve the issue.
23	Monitor VToll rates for fluctuation.	Monitor percentage trends that can point to broken processes, etc. that need to be corrected.	Notify Application Support. The applications group will then verify VToll posting is working correctly or resolve the issue.
24	Monitor Invoice transactions in the VPS for complete posting.	To ensure complete transaction postings for hanging payments.	Notify Application Support for complete transaction postings. Application Support will correct the hanging payment.
25	Reconcile TollTag Statement fees (and ultimately all additional fees) to accounts with mailed statement flag checked.	To ensure accurate and timely statement fee postings.	Notify Application Support. The applications group will then research the issue to determine cause and correct the issue.
26	Variance Reconciliation - We need to know where are variances are and their status. We need to be able to determine why variances are not matched to owners.	We are dependant on the revenue generated from violations. This will help define areas for improvement or issues. Review variances by license plate that are not matched to an owner of a vehicle. Determine if plate ownership can be resolved.	Notify appropriate parties of all variances to determine cause. Request resolutions.
27	Non-revenue TollTag usage – monitoring for misuse	Non-revenue tags are a benefit to our employees and should not be abused. Abuse results in potential lost revenue to the NTTA.	Notify Risk management of instances for resolution.
28	Monitor image review backlog	We are dependant on the revenue generated from images.	Determine if backlog is creating a performance concern. Notify CSC.
29	Monitor and Report performance measures as	NTTA's payment may be reduced as a result of low	Notify before performance becomes a financial hit on the

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	defined in every Toll Services Agreement.	performance.	NTTA.
30	Duplicate Transaction Verification	Verify customers are not billed duplicate transactions and that duplicate transactions are not posted to customer accounts.	Apply adjustments when needed based on research.