

AUDIT SCOPE STATEMENT – March 4, 2024

PIAC Project Eligibility and Monitoring

Why audit Public Improvement Advisory Committee (PIAC) project eligibility and monitoring?

Kansas City imposes a 1% sales tax to fund public improvements throughout the city. City Code requires 35% of the sales tax receipts be divided equally between city council districts for 'neighborhood projects'. The Public Improvements Advisory Committee (PIAC) reviews and recommends neighborhood projects to the City Council for approval.

A 2018 voter renewal of the sales tax included a change to the types of neighborhood projects allowable under this tax by removing language that required 100% of the tax be used on capital projects. This change allows for non-capital improvement projects that serve a primarily public purpose to conserve, maintain, and improve neighborhoods to use PIAC funds.

During our work in a related [audit on PIAC project timeliness](#), we identified projects funded under the expanded eligibility rules. Because the funding eligibility rules have changed, now is a good time to review how the city ensures the eligibility and implementation of these project types.

Audit objectives

- Does the city ensure PIAC projects meet eligibility requirements in the city code?
- Does the city have processes to monitor the use of PIAC funds awarded to non-capital improvement projects?

Audit methods

We will interview staff from Finance and Law departments to understand current city policies and procedures for determining non-capital improvement PIAC project eligibility and monitoring; review approved projects funded by PIAC from fiscal year 2019 to 2023 to determine project eligibility and outcomes; review financial transaction information and reach out to external community partners as needed to determine whether PIAC funds were used as intended.

Anticipated release date

We plan to issue the audit report in July 2024.



**KANSAS CITY
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