

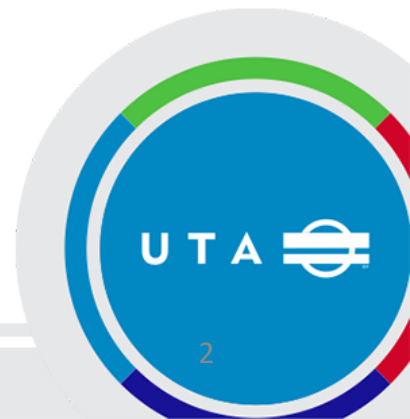
# UTA Audit Committee Meeting

August 24, 2020

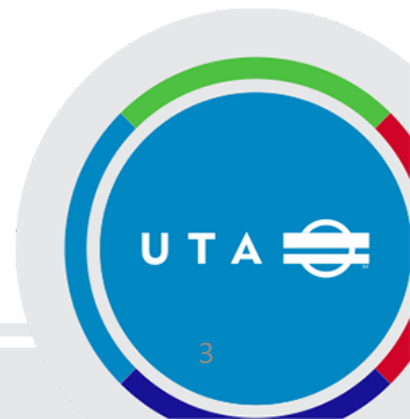


# Call to Order and Opening Remarks

(Electronic Meeting Determination Reading)



# Safety First Minute



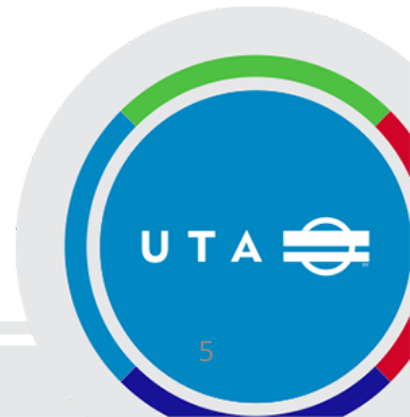
# Consent

- a. Approval of June 22, 2020 Audit Committee Meeting Minutes



# Recommended Action (by acclamation)

Motion to approve



# **2019 National Transit Database (NTD) Agreed Upon Procedure Report**



# Revised 2020 Audit Plan Approval

Request to Add Capital Projects Audit  
Cancel Recruitment and Retention Audit



## REVISED 2020 INTERNAL AUDIT PLAN

Preliminary Assessment (PA) / Audit	Change
Budget Management Audit	
Contract Management PA	
Capital Projects PA	Add
Grants Management Follow-Up Audit	
Information Technology Business Continuity/Disaster Recovery PA	
Maintenance of Way – Infrastructure Audit	
Maintenance of Way – Systems PA	
Recruitment and Retention PA	Cancel
State of Good Repair Audit	
Transit Oriented Development PA	





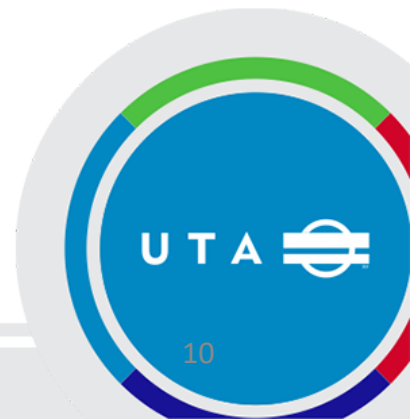
# REVISED 2020 INTERNAL AUDIT PLAN

- Modification is requested as a result of identification of specific, unique risks associated with the capital projects process during the budget management audit.
- Propose to drop the recruitment and retention audit, which was ranked 7<sup>th</sup> in the most recent risk analysis the lowest of the elevated risk areas at the time.
- The most significant risks related to recruitment and retention are out of Management's control (e.g. labor market).
- The labor market changes resulting from the Covid shutdowns have changed the risk profile of this area since the risk ratings were initially determined.
- It is the Director of Internal Audit's opinion that devoting the resources and effort to Capital Projects will provide greater value to the UTA.



# **Recommended Action (by acclamation)**

Motion to approve Revised 2020 Audit Plan



# Internal Audit Update



# INTERNAL AUDIT PLAN STATUS



# INTERNAL AUDIT PLAN AS MODIFIED

Preliminary Assessment (PA) / Audit	Executive	Status
<b>2019 Audit Plan</b>		
Data Access PA (Last remaining from 2019)	Executive Director	Completed
<b>2020 Audit Plan</b>		
Contract Management PA	CFO	Completed
Transit Oriented Development PA	CSDO	Reporting
Budget Management Audit	CFO	Reporting
Maintenance of Way – Infrastructure Audit	COO	Reporting

*CFO: Chief Financial Officer*  
*CSDO: Chief Service Development Officer*  
*COO: Chief Operating Officer*



## 2020 INTERNAL AUDIT PLAN AS MODIFIED

Preliminary Assessment (PA) / Audit	Executive	Status
Grants Management Follow-Up Audit	CSDO	In Progress
Maintenance of Way – Systems PA	COO	In Progress
Recruitment and Retention PA	CPO	Request to Cancel
Capital Projects	Executive Director	In progress
Information Technology Business Continuity/Disaster Recovery		
State of Good Repair Audit	COO	

*COO: Chief Operating Officer*

*CPO: Chief People Officer*

*CSDO: Chief Service Development Officer*



# OPEN ITEMS



Audit	Findings			Planned action date
	Total findings	Findings addressed	Findings in progress	
Cash Management	8	8	0	-
Grants Management	7	7	0	Q2, 2020
Inventory Management	8	8	0	-
National Transit Database	5	3	2	Q2, 2020
Operating & Ridership Reporting	8	8	0	-
Payroll	7	0	7	Q4, 2020
Treasury Management	6	6	0	-
Vanpool Operations	14	13	1	Q4, 2020
Accounts Payable	8	0	8	Q4, 2020
Total	71	52	19	





Preliminary Assessment	Findings			Planned action date
	Total findings	Findings addressed	Findings in progress	
Budget Management	6	0	6	Q2, 2020
Maintenance of Way – Infrastructure	6	4	2	Q4, 2020
State of Good Repair	11	4	7	Q4, 2020
<b>Total</b>	<b>23</b>	<b>8</b>	<b>15</b>	



# UTA ETHICS POLICY



- Publication of policy to employees
  - Formal communication completed from Executive Director
  - Learning Management System updated for Business Unit Employees
  - In-person training in progress and near completion
    - Offering ongoing live virtual meetings each week on varying shifts
    - 688 administrative employees have attended training as of August 21, 2020.



# UTA Internal Audit

Audit Software Introduction



## AUDITBOARD

Collaborating and managing audit planning, fieldwork and reporting in one simple tool.

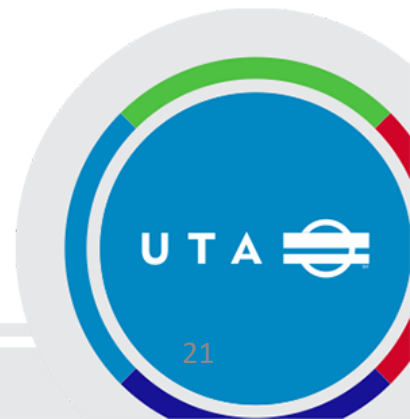
### **Restructuring the audit process to a more efficient function through:**

- Using Audit Board for all audits in progress and scheduled
- Developing automated document request and report formatting through workflow
- Issue Tracking Roll-Out plan
  - AuditBoard train Management with Outstanding Issues
  - Train and add additional UTA Management as we begin audits of their areas
- Contributing to the efficiency of the Audit Process allowing us to accomplish more with available resources.



# Internal Audit Report Review

- a. Contract Procurement Preliminary Assessment Report
- b. Data Access Preliminary Assessment Report



# **Contract Procurement Preliminary Assessment Report**

R-20-01



### Audit Scope (Included)

- |                                |              |
|--------------------------------|--------------|
| • Governance                   | • Approval   |
| • Identifying Need             | • Award      |
| • Vendor Selection/Negotiation | • Database   |
| • Review                       | • Amendments |

### Audit Scope (Excluded)

- |   |                                     |
|---|-------------------------------------|
| • Purchase Orders not supporting a written contract | • Vendor Compliance and Performance |
| • Disbursements                                     | • Non-procurement contracts         |

Preliminary assessment period:  
February 12, 2020 through to April  
22, 2020

Audit period:  
June 2019 through to October 2019



# Procurement Contract Process

- Contracts Supporting Documentation
- LaserFiche
- Un-cancelled Requisitions
- Department Standard Operating Procedure Updates





# Data Access Preliminary Assessment Report

R-19-05



Audit Scope	
• Business Data Governance	• Access to sensitive applications and databases
• Business Data Protection and classification	• Software as a Service (SAAS)
• Active Directory, as related to data access	
Excluded from Audit Scope	
• Software Licensing	• Disaster Recovery/Business Continuity
• HIPAA and PCI Compliance	• Software Development
• Change Management	

Preliminary assessment period:  
 October 1, 2018 through September 30,  
 2019



# Data Access Preliminary Assessment

- Governance
- Data Security
- User Access



# Other Business

- a. Next Meeting: Monday, October 19, 2020 at 3:00 p.m.



**Adjourn**

