

Minutes

RTA Audit, Safety Compliance & Real Estate Committee Meeting

9:17 a.m. August 25, 2020

Committee Members: Moss (Chair) Lucas (Vice Chair), Joyce, McCall, Weiss

Other members: Bibb, Byrne, Clough, Pellot, Serrano

Not present: None

Also Present: Anderson, Benford, Birdsong, Bober, Burney, Caver, Cottrell, Cox, Dangelo, Davidson, Davis, Dietrich, Fields, Garofoli, Gautam, Kirkland, Manning, Montgomery, Moore, Pickett, Schipper, Sutula, Woodford

Ms. Moss called the meeting to order 9:17 a.m. The secretary called the roll and reported that five (5) committee members were present.

Internal Audit 2nd Quarter Report

Tony Garofoli, executive director of Internal Audit, gave the presentation. They focused their efforts to address risk and activities brought on by the COVID-19 Pandemic during the 2nd quarter. He will speak on those results later. Pages 4-5 includes the risk-based plan approved by the Board in February. They transitioned from the Pandemic projects to the planned activities in late June once the projects were complete or the risk was stabilized.

Pages 6-8 includes the purpose, scope and results of the COVID-19 projects and other activities. This work was highlighted with an all hands on desk project to recalculate the payroll for almost 400 employees during an 8-week period. The federal government introduced new laws for employers providing benefits for employees subject to the Pandemic. The management staff was challenged to create, test and implement pay codes to process payroll, accrued benefits and FMLA benefits. They completed a 100% audit to ensure employees was paid correctly and provided the benefit entitlements. They also audited the controls in place to receive and account for the \$100 million in CARES Act grants. Controls are in place and working effectively. The remainder of the report is for review. They did some spot audits of the vehicle disinfecting.

Pages 9-10 include two projects that was completed from their risk based audit plan. A few employees traveled during the second quarter and they completed those compliance reviews. They also completed a contract compliance audit for the six Gillig CNG buses that were received in late June. All issues were resolved and compliance was achieved. Pages 11-14 includes continues auditing efforts. They made great strides during the first six months of the year. They are implementing robotic process automation audits writing scripts to query and test the computerized systems on an ongoing base. The RPA identified non-compliance, risk, errors, omissions and pattern anomalies. To date they are running RPA to address mission critical systems and risk, including fare collection, purchasing cards, accounts payable, accounts receivable, Paratransit eligibility, nepotism and the fuel expense. This is the future of internal auditing, using technology to leverage the data in RTA's computer systems. They will continue to build on the system. The results are included in the report.

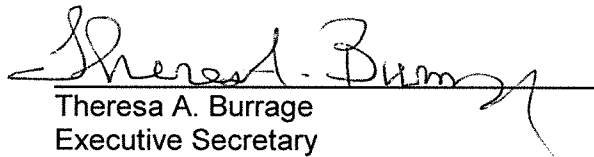
Pages 15-19 includes work in progress. There are 16 projects in this section. Some are nearing completion. They will meet with management to discuss the results. Several projects were requested for audit by General Manager Birdsong to address some fundamental concerns. Pages 20-23 include special request and emerging issues. They are in the final negotiations and working with the Legal department, Risk Management and the insurance company on the compound drug fraud case. They continue to work on the Board member healthcare claim that is still in adjudication. They are working with the external auditors. They expect the Auditor of the State will release the fiscal year 2019 Financial Audit shortly. The Federal Emergency Management Agency (FEMA) conducted a desk review of a Transit Police grant. They are waiting on the results. They continue to work with the Ohio Department of Transportation (ODOT) on Rail Safety and Security.

Ms. Moss asked if there were questions. Mayor Clough thanked the staff for making improvements when necessary and addressing issues as they come forward. Ms. Moss concurred. Ms. Birdsong thanked Tony for taking on her request. It is important to audit the process to make improvements. RTA has been around a long time so it is important to reinvent ourselves.

The meeting was adjourned at 9:38 a.m.



Floun'say R. Caver, Ph.D.,
Interim Secretary/Treasurer



Theresa A. Burrage
Executive Secretary