



Audit Committee Meeting

August 20, 2024

GCRTA Internal Audit Department

“Conforms with the International Standards for the Professional Practice of Internal Auditing”

Agenda

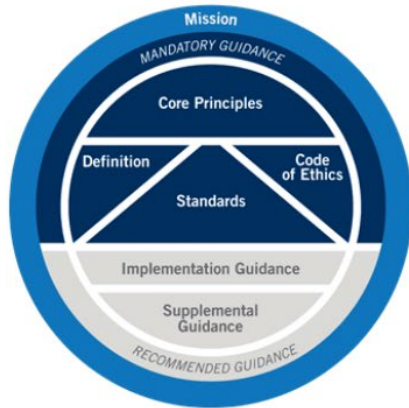
- Global Audit Standards – Internal Audit Charter
- Railcar Replacement & Infrastructure Audit Activities
- Internal Audit Quarterly Report – 2nd Quarter Activities

New Internal Audit Standards

2017



International Professional Practices Framework



2024



International Professional Practices Framework® (IPPF)



Summarized Results

Based upon the procedures performed and the results obtained from the Internal Audit Self Assessment and validated by Jefferson Wells, Internal Audit's conformance to the *Standards* and Code of Ethics is rated as follows:

Assessment Results	
Assessment Area	Rating
Attribute Standards	Generally Conforms
Performance Standards	Generally Conforms
Code of Ethics	Generally Conforms
Overall Assessment	Generally Conforms

- The Attribute Standards address the attributes of organizations and the individuals performing the work. These are generally assessed periodically in a QAIP.
- The Performance Standards describe the nature of internal auditing and provide criteria against which the performance of services can be measured. These are generally considered the standards to assess the day-to-day operations of Internal Audit.

Detailed Results

Gap to conformance (1)

- Travel Expense Review

Successful Practices Highlighted (11)

Observations for Continuous Improvement (9)

- (8) observations implemented
- Establish a separate charter for IA's role as Inspector General

New Internal Audit Standards

New Standards effective
January 9, 2025.

IA Staff attended several
trainings on the new Global
Audit Standards.



Transition and Conformance

The New Structure



5 Domains

- 15 Principles

- 52 Standards

- Requirements
- Considerations for Implementation
- Examples of Evidence of Conformance

Additional features:

- Fundamentals
- Applying the Global Internal Audit Standards in the Public Sector
- Glossary



Transition and Conformance

- Domain I: Purpose of Internal Auditing
- Domain II: Ethics and Professionalism
- **Domain III: Governing the Internal Audit Function**
- Domain IV: Managing the Internal Audit Function
- Domain V: Performing Internal Audit Services

IIA Standards – Domain III

6. Authorized by the Board

The board establishes, approves, and supports the mandate of the internal audit function.

6.1 Internal Audit Mandate

6.2 Internal Audit Charter

6.3 Board and Senior Management Support

7. Positioned Independently

The board establishes and protects the internal audit function's independence and qualifications.

7.1 Organizational Independence

7.2 Chief Audit Executive Qualifications

8. Overseen by the Board

The board oversees the internal audit function to ensure the function's effectiveness.

8.1 Board Interaction

8.2 Resources

8.3 Quality

8.4 External Quality Assessment

Audit Charter

Timeline

September 2024

- Solicitation of feedback from Management

October 2024

- Solicitation of feedback from the Board of Trustees

November 2024 Audit Committee Meeting

- Request for resolution for adoption of new audit charter

Railcar Replacement & Infrastructure Audit Activities

Contract Compliance Audit

Contract No. 2021-125 with Siemens Mobility, Inc.

- Design, manufacture and delivery of up to twenty-four (24) high-floor light rail vehicles, spare parts, tooling and training

Option under Contract No. 2021-125 with Siemens Mobility, Inc.

- Purchase and delivery of up to six (6) high-floor light rail Vehicles

*High-floor light rail vehicles will operate on the Red, Blue, Green, and Waterfront Lines

Contract Compliance Audit

- Pre-Award Contract Compliance
 - Procurement audit
 - Federal Transit Administration – Buy America Review
- Post-Award Contract Compliance
 - Project management & deliverables audits
 - Contract administration audits (including change orders)
 - Invoice reviews

Contract Compliance Audit

Railcar Vehicle Replacement Program

Objective: Provide ongoing contract compliance assurance on program management and procurement activities and to complete necessary Buy America reviews.

Scope: Internal Audit will evaluate contract compliance and management controls.

Update: Management and railcar manufacturer are completing design/review for the railcar. Management is engaging design consultants for infrastructure modifications.

Design Review Schedule

System/Topic	Group	PDR submittal	Estimated PDR Meeting Date (week of)	FDR Submittal	Estimated FDR Meeting Date (week of)
HVAC, Lighting, APC, Train Control/MDS	1	3/1/2024	4/1/2024	5/30/2024	7/1/2024
Propulsion/MC/Drives/HSCB/BR, Aux Elec/Panto/Battery, Warning devices + RWP	2	3/18/2024	4/15/2024	6/16/2024	7/15/2024
Carshell/Articulation, Trucks, Brakes/Sanding/Leveling, Doors/trap doors/gap fillers	3	4/12/2024	5/13/2024	7/10/2024	8/12/2024
Event Recorder, Comm/PIS/CCTV/Radio, ATC	4	4/29/2024	5/27/2024	7/28/2024	8/26/2024
Interior/Seats, Ext/UF/Roof, Cab, Couplers	5	5/13/2024	6/10/2024	8/12/2024	9/9/2024

Siemens Mobility Contract Change Order Log

CHANGE ORDER No. 5 LOG

CONTRACT NO. 2021-125

RAILCAR REPLACEMENT PURCHASE

Contract #2021-125

Contractor: **Siemens Mobility Inc.**

Original Contract Amount **\$163,920,115.00**

Total G.M./C.E.O. Authority Remaining **\$ 5,828,281.79**

Total Change Order Amount To Date **\$31,669,734.21**

ITEM NO.	NOTE No.	APPROVAL DATE	CHANGE ORDER AMOUNT	APPROVAL AUTHORITY	NEW CONTRACT AMOUNT
1	1	11-28-23	\$30,998,016.00	BOT	\$194,918,131.00
2	2	12-5-23	\$510,888.00	\$5,989,112.00	\$195,429,019.00
3	3	12-6-23	\$0.00	\$5,989,112.00	\$195,429,019.00
4	4	3-29-24	\$108,916.54	\$5,880,195.46	\$195,537,935.54
5	5	8-6-24	\$51,913.67	\$5,828,281.79	\$195,589,849.21

NOTES/CHANGE ORDER DESCRIPTION:

CO No. 1 – Exercise 6 Vehicle Options
 CO No. 2 – 4 Additional Couplers
 CO No. 3 – Modification of SP-20B
 CO No. 4 – Smoke Detectors
 CO No. 5 – Additional Wheel Profiles



Siemens Mobility Potential Change Order Log

PR AMOUNT	Date Identified	Condition of P.C.O.	P.C.O. #	Date P.C.O. Form Last Issued	Time Ext. Day	Description	Contractor Estimate	Date Due	Independent Estimate	Date Due	Settled Amount	Closed Date	GCRTA C.O. #	Status	BALL IN COURT
\$ 30,998,016.00	6/26/2023	9	001	10/26/23	0	Excercise Options - 6 Vehicles	\$0.00	N/A	\$30,998,016.00	10/25/23	\$30,998,016.00	12/12/23	001	Closed	NA
\$ 510,888.00	6/26/2023	9	002	11/27/23	0	Spare Parts - (4) Additional Couplers	\$0.00	N/A	\$510,888.00	11/27/23	\$510,888.00	12/12/23	002	Closed	NA
\$ -	10/25/2023	9	003	11/7/23	0	Modification of Special Provisions SP-20B - Increasing Number of Cars Not Conditionally Accepted	\$0.00	N/A	\$0.00	N/A	\$0.00	12/12/23	003	Closed	NA
\$ 108,916.54	12/8/2023	9	004	1/25/24	0	HVAC Smoke Detectors	\$108,916.54		\$127,703.00	N/A	\$108,916.54	3/28/24	004	Closed	GCRTA
\$ 51,913.67	8/24/2023	9	005	3/12/24	0	Additional Rail Profiles	\$51,913.67	N/A	\$69,189.00	N/A	\$51,913.67				SMI
	5/29/2024	9	006		0	ATC Code Rate Clarification - Specification Change			\$0.00						
	5/29/2024	9	007		0	60 MPH Maximum Speed - Specification Change			\$0.00						

*As of 8/8/24



Siemens Mobility Inc. - Payments

GCRTA Financial Management System

RTA Set of Books:

Purchase Order – Railcar Replacement

- Purchase Order Line Items – totaling **\$195,589,849.21** (per board approval)
- **\$64,708,815.83** paid (as of 8/8/2024)
- **33%** of contract amount plus change orders has been paid.

Railcar Replacement Program Contracts

Contract No. 2019-115 with LTK Consulting Services, Inc.
(11/2020 Merger with Hatch, Hatch LTK)

- Developed railcar Request For Proposal
- Design review and manufacturing oversight

(Not currently under internal audit)

Railcar Replacement Program Contracts

Contract No. 2021-156 with K&J Safety and Security Consulting Services, Inc.

- Safety and Security Consulting Services
(Not currently under internal audit)

Railcar Replacement Program Contracts

Contract No. 2023-166 with Parsons Transportation Group Inc.

- Architect/Engineer Services for Brookpark Rail Shop Modifications
- Port of Cleveland Track Connection

(Internal Audit currently in planning phase)

Railcar Infrastructure Modifications

- 66B Port of Cleveland Connector Track – railcar delivery
- 66C Brookpark Shop and Yard Tracks
- 66C2 Brookpark Rail Shop Modifications
- 66D CRMF New Railcar Modifications
- 66D2 CRMF Electronics Lab Remodeling
- 66E1 Red Line Station Platform Modifications
- 66E2 Light Rail Station Platform and Mini-high Modifications

(Internal Audit currently in planning phase)

FTA – Project Management Oversight

U.S. DOT Federal Transit Administration Project Management Oversight monitors the management of FTA-supported major capital projects to determine whether the projects are:

- on time,
- within budget,
- in conformance with design and quality criteria,
- in compliance with all applicable Federal requirements, and
- constructed to approved plans and specifications, delivering the identified benefits safely, efficiently, and effectively.

FTA – Project Management Oversight

- Pre-Award Buy America Review
 - Buy America Audit & Purchaser's Audit
- Intermediate Audit (after supplier contracts are in place)
- Post-Delivery Buy America Review
 - Buy America Audit & Purchaser's Audit
- Post-Delivery – Domestic Content Monitoring

FTA – Project Management Oversight

Project Management Review - LS Gallegos, Inc.

- Monthly Check-in Meetings
- FTA Project Management Oversight Procedures

Internal Audit Quarterly Report – 2nd Quarter Activities

Second Quarter Report

Introduction

2024 Audit Plan

Completed Projects

Projects in Progress

Continuous Auditing

Special Requests and Emerging Issues

External Audit Coordination

Status of Outstanding Follow-up

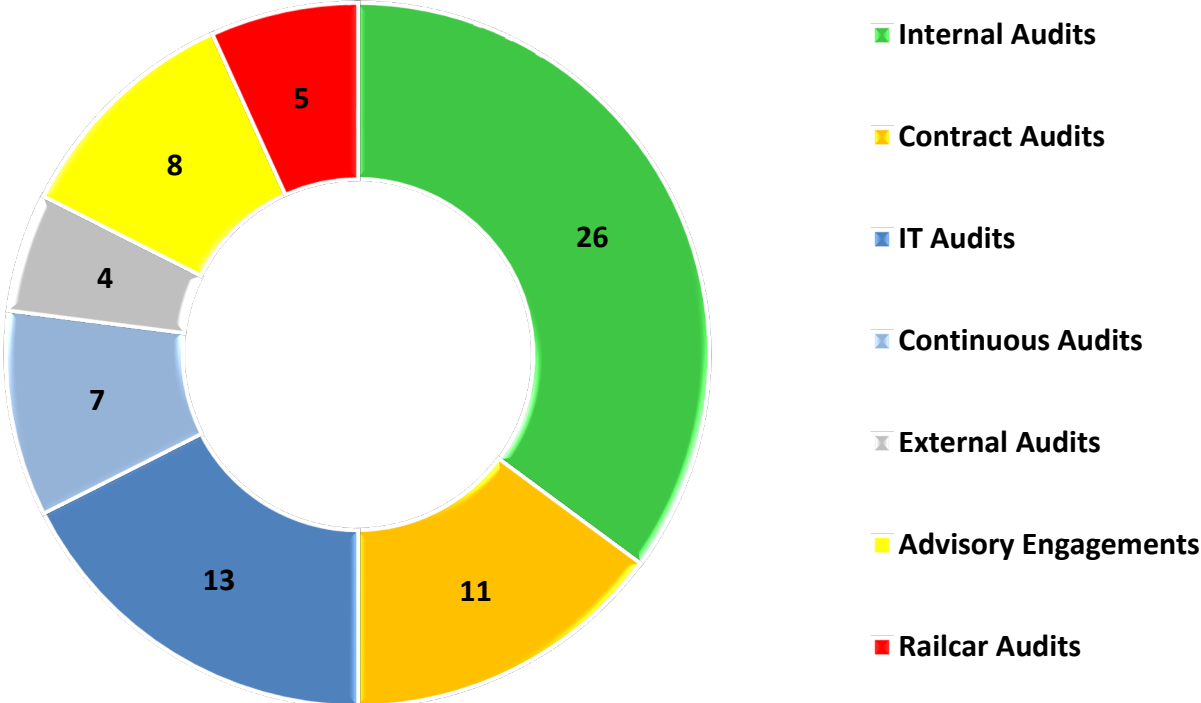
Other Projects

Staff Training

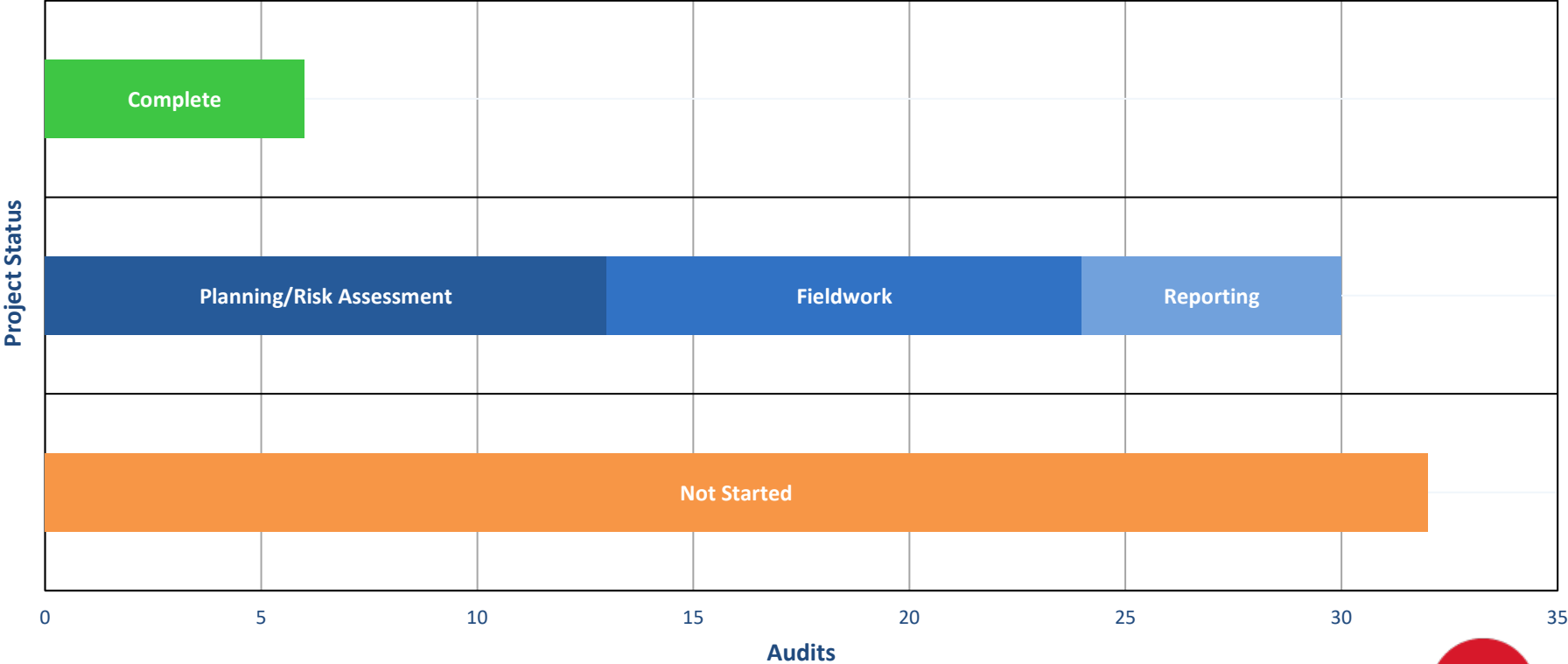
IIA Global Audit Standards

Standard 11.3 Communicating Results – The Chief Audit Executive must communicate the results of internal audit services to the board and senior management periodically and for each engagement as appropriate.

2024 Audit Plan Coverage by Audits Scheduled



2024 Audit Plan Progress – 2nd Quarter



Completed Projects

Heavy Rail - Motor Overhaul (Swiger Coil Systems)

Objective: To evaluate the evolving smoking motor issues and provide assurance over management actions to remedy.

Scope: 2021 – 2023 management activities.

Success Outcomes: Customer Experience

Results: Satisfactory with no issues or recommendations.

Completed Projects

Heavy Rail - Motor Overhaul (Swiger Coil Systems)

Management Successful Practices:

- Preventative maintenance work orders were completed on-time for all motors reviewed.
- GCRTA provided effective project management in the monitoring of the overhaul progress.
- GCRTA processes for receiving, inspecting, and testing overhauled motors were well designed and appropriately executed.

Completed Projects

Heavy Rail - Motor Overhaul (Swiger Coil Systems)

Recommendations:

- None

Completed Projects

FTA – Post-Delivery Buy America Review – Paratransit Coaches

Objective: The federal grant application requires the GCRTA to conduct the pre-award and post-delivery audits for the purchase of rolling stock (49 CFR part 663 Pre-Award and Post-Delivery Audits of Rolling Stock Purchases and 49 CFR part 661 Buy America Requirements).

Scope: Buy America, Purchaser's Review, and Federal Motor Vehicle Safety Standard Review.

Results: Satisfactory, compliance achieved with all 20 coaches. Certificates issued June 28th, 2024. All coaches are in revenue service.

Completed Projects

TRACTION Performance Measurement

Objective: Evaluate the design, methodology, execution, and results of the survey and information system inputs for TRACTION Performance Measurement. Validate the design and methodology to collect data are reliable, and that results are complete, accurate, with appropriate cutoff and reporting.

Scope: 2022 Survey Inputs. 2023 Information System Inputs.

Success Outcomes: All

Results: Marginally Satisfactory, with one recommendation for management.

Completed Projects

TRACTION Performance Measurement

Management Successful Practices:

- Virtually all survey raw data fully supported the data reported (very minor, non-systemic, and immaterial discrepancies were communicated and rectified).
- Methodology for completion of surveys was sufficient to achieve survey objectives and was executed consistently across multiple survey providers. Therefore, results are comparable between periods.

Completed Projects

TRACTION Performance Measurement

Recommendation:

- Create a centralized repository for storing GCRTA Information System raw data and supporting analyses for scorecard metrics with detailed methodologies.

Completed Projects

Tower City Common Area Maintenance Agreement

Objective: Identify agreement requirements, validate compliance with terms and conditions, and evaluate risks and controls.

Scope: Current common area maintenance agreement.

Success Outcomes: Financial Health

Results: Unsatisfactory, with two recommendations for management.

Completed Projects

Tower City Common Area Maintenance Agreement

Management Successful Practices:

- GCRTA-owned assets are appropriately configured, and facilities maintenance personnel are knowledgeable of these assets and perform required maintenance.
- GCRTA Property Management has been very proactive with addressing concerns identified regarding this agreement, including implementation of corrective action.

Completed Projects

Tower City Common Area Maintenance Agreement

Recommendations:

- Address the discontinuation of the Cleveland Consumer Price Index via an interim agreement.
 - Amendment and Mutual Release signed 6/4/2024.
- Negotiate a new common area maintenance agreement that includes a right-to-audit clause, the inclusion of an agreement end date or opportunity to renegotiate, year-end true-up of actual expenditures, and considerations for Capital Improvement planning and coordination with GCRTA.

Completed Projects

Electronic Funds Transfer

Objective: To document the controls over Electronic Funds Transfer (EFT) and provide assurance on the efficacy of those controls.

Scope: Electronic Funds Transfer Process for grant and non-grant funded activities.

Success Outcomes: Financial Health

Results: Marginally Satisfactory, with two recommendations for management.

Completed Projects

Electronic Funds Transfer

Management Successful Practices:

- Proper controls over Sales & Use Tax account.
- Existence of controls throughout approval process.
- Payments to vendors are completed within required 3 days of receiving FTA funds.

Completed Projects

Electronic Funds Transfer

Recommendations:

- Enhance segregation of duties controls to mitigate risk of misuse.
- Implement a secure portal for vendors to update EFT account details (functionality exists in current Financial Management System).

Completed Projects

GCRTA Travel and Expense Reimbursement

Objective: Review all trip reports and travel expense reimbursements for compliance with policy and procedures.

Scope: 100% of trips and expenses.

Results: Satisfactory, all non-compliant results are returned to travelers for correction prior to processing.

Completed Projects

Transit Police Overtime and Compensatory Time

Objective: To provide assurance on the completeness, cutoff, and accuracy of Transit Police overtime and compensatory time. To evaluate management controls for authorizing, recording, processing, and paying overtime and compensatory time.

Scope: Transit Police overtime and compensatory time earned from January 2022 – June 2023.

Success Outcomes: Financial Health and Employee Investment

Results: Marginally Satisfactory, with five recommendations for management.

Completed Projects

Transit Police Overtime and Compensatory Time

Management Successful Practices:

- Since last audit, Transit Police has improved their workflows by adopting digital records for what was previously a paper process.

Completed Projects

Transit Police Overtime and Compensatory Time

Recommendations:

- Implement processes to automate the collection and distribution of data and digital forms for approving the earning and utilization of compensatory time.
- Create a dedicated pay code and form for capturing compensatory time payouts.
- Implement training in the short term, and logic controls in the long term, to ensure the correct capture of overtime eligible worked hours.
- Adjust compensatory hour banks as identified in the audit.

Completed Projects

City of Shaker Heights Maintenance Expenses

Objective: To reconcile the costs of Shaker Heights right-of-way maintenance expenses against the invoices paid by the GCRTA, and to evaluate compliance with the terms and conditions of the maintenance contract.

Scope: 2021 and 2022 Shaker Heights maintenance expense.

Success Outcomes: Financial Health

Results: Satisfactory, with one recommendation for management.

Completed Projects

City of Shaker Heights Maintenance Expenses

Successful Practices:

- The City of Shaker Heights provided supporting records to evidence maintenance activities performed.
- Actual costs were successfully reconciled against GCRTA total payments, therefore, annual cost estimates are accurate to actual spend.

Completed Projects

City of Shaker Heights Maintenance Expenses

Recommendation:

- GCRTA management should negotiate the landscaping service schedule for the upcoming 2024 – 2026 agreement to align landscaping service levels with other GCRTA landscaping contracts.

Completed Projects

Customer Service Center – Tower City

Objective: Perform a cash and farecard count at the customer service center.
Perform data analytics of farecard sales.

Scope: Cash and farecard count was performed January 23rd, 2024. Farecard sales from 2018 – 2024.

Success Outcomes: Financial Health

Results: Satisfactory, with two recommendations for management.

Completed Projects

Customer Service Center – Tower City

Management Successful Practices:

- Teller drawers and the Customer Service Center vault fully reconciled to the consignment amount.

Completed Projects

Customer Service Center – Tower City

Recommendations:

- Adjust consignment size to reflect current sales patterns.
 - Physical fare media sales have declined due to customer adoption of mobile ticket sales.
 - Recommended adjustments included increased inventory of popular fare types and decreased inventory of less requested fare types.
- Implement a fix to a Financial Management System report that was excluding certain relevant data.

Completed Projects

Shelter Community Investment Program

Objective: To evaluate community partner compliance with program requirements and to provide assurance over payments received to support the program.

Scope: Shelters in the community investment program.

Success Outcomes: Community Impact

Results: Marginally Satisfactory, with three recommendations for management.

Completed Projects

Shelter Community Investment Program

Management Successful Practices:

- All license agreements are on file and fully executed.
- Program is providing community value through enhancement of Transit Waiting Environment for riders and the general public.

Completed Projects

Shelter Community Investment Program

Recommendations:

- Transfer responsibility for maintaining record of license agreements to the GCRTA Property Manager.
- Evaluate two potential missing payments.
- Establish a process to ensure program growth by retaining community member payments within department budget.

Projects in Progress – Planning/Risk Assessment

Audit Title	Objective
Accrued Leave	To provide assurance over the controls in place to calculate, track, and roll-forward accrued leave balances.
Applicant Tracking System (ATS) Implementation	To provide assurance on the implementation of the new ATS. Scope to include evaluation of candidate experience and integration of software into existing workflows.
CSU U-Pass Program	To evaluate agreement compliance for Cleveland State University Student “Universal Pass” program.
Fraud Risk Assessment	An entity-wide risk assessment of fraud vulnerabilities and the controls in place to detect, prevent, and mitigate fraud.
Fuel Expense	To evaluate contract compliance and to obtain background information, including expenditure trends, documentation of the workflow processes, invoice payments, and access controls.

Projects in Progress – Planning/Risk Assessment

Audit Title	Description
PTASP - Emergency Operations Plan	To validate that GCRTA's PTASP section on Emergency Management meets compliance requirements, and that GCRTA is sufficiently prepared with an updated Emergency plan that incorporates Information Technology resilience.
PTASP - Maintenance Manuals/SOPs	To evaluate GCRTA processes and procedures to maintain, update, and utilize maintenance manuals and standard operating procedures.
Railcar Infrastructure Modification Designs	To evaluate project management controls for railcar infrastructure modification design projects.
Railcar Workforce Development	To evaluate the workforce development plan for the railcar replacement program.
Supply Chain Contract Management	Document contract management strategies used to manage contracts. Assess risk associated with centralized contract management. Evaluate efficacy of controls.

Projects in Progress - Fieldwork

Audit Title	Description
Body Worn Cameras	To evaluate the use, administration, and impact of Body Worn Cameras in Transit Police operations.
Fiber Optic	To provide assurance of Engineering project management controls for the Fiber Optic project.
Hayden Roof Construction	To provide assurance of Engineering project management controls for the Hayden Roof project.
Maintenance/Management System Upgrade	To provide assurance over the Maintenance/Management System upgrade, evaluating IT Project Management system implementation.
On-Time Performance	To evaluate the processes for defining, measuring, achieving, and improving on-time performance.

Projects in Progress - Fieldwork

Audit Title	Description
Rail Cleanliness	To document GCRTA processes for cleaning rail vehicles and rail station facilities.
Railcar Replacement Contract (Siemens)	To provide ongoing contract compliance assurance on program management and procurement activities and to complete necessary Buy America reviews.
Transit Ambassadors Fare Enforcement	To provide assurance over the Transit Ambassador program, including that resources are deployed strategically, processes and procedures are in place, and stated program objectives are achieved.

Projects in Progress - Reporting

Audit Title	Description
Accident and Incident Training and Discipline Outcomes	Evaluate the processes and controls in place to ensure the efficacy, consistency, and quality of training and discipline outcomes that result from accident and incident review.
Identity and Access Management	Evaluate controls in place for accessing critical Authority systems. This engagement is reviewing the Operator Bid – Dispatch system (Hastus).
Service Quality Bus Field Supervision	To evaluate the processes and procedures in place to successfully perform field supervision of Bus revenue service.
Waterfront Line Bridge Rehabilitation	Provide assurance over Engineering project management controls for the Waterfront Line Bridge Rehabilitation project.
Viaduct Rehabilitation	Provide assurance over Engineering project management controls for the Viaduct Rehabilitation project.

Ongoing Technology Projects

- **Consolidated Train Dispatch System**
 - Final Design
- **EZFare**
 - Tower City Validators
 - Account Based Ticketing
- **Bid Dispatch**
 - System Enhancements
- **Disaster Recovery**
 - Data Center Co-location
- **Point of Sale**
- **Infrastructure Updates**
- **Learning Management**
- **Robotic Process Automation**
- **Ticket Vending Machine Consulting**
- **Paratransit Scheduling**
- **Fluid Management**

Continuous Auditing

A method utilizing a series of scripts to perform auditing activities on a more frequent basis to identify risks and any exceptions for investigation by appropriate staff and management.

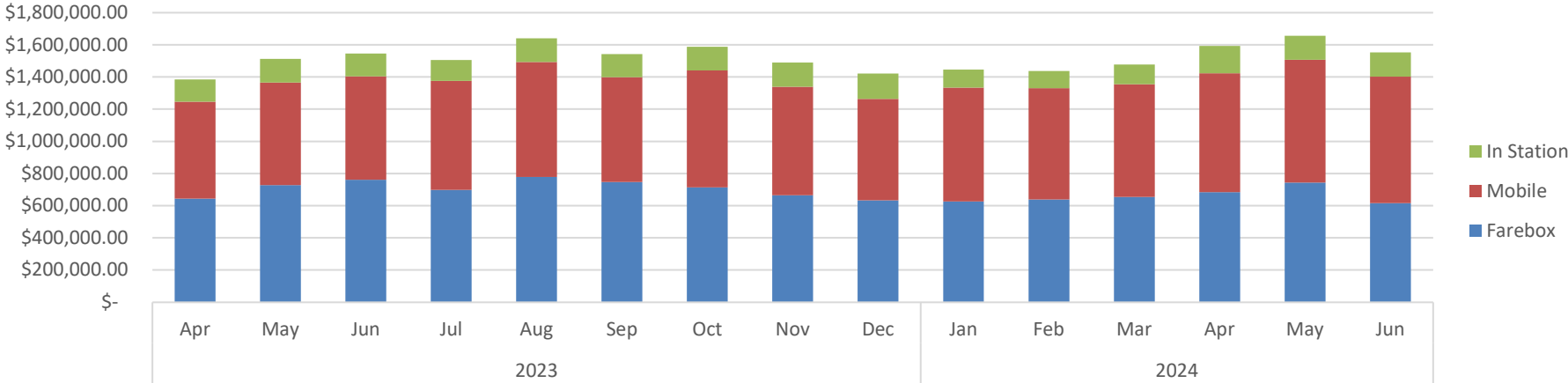


Continuous Auditing

Title	Objective	Frequency
Nepotism	Evaluate employee relationships for non-compliance with GCRTA policy and code of ethics	Monthly
Purchasing Card	Evaluate P-Card transactions for compliance with the GCRTA Procurement Card Policy and for potential fraud, waste, and abuse.	Monthly
Payroll	Evaluate HR and Payroll information to identify the potential for fraud, waste, and abuse.	Monthly
Revenue Reconciliation	To evaluate and provide assurance customer fares collected from fare collections systems are reconciled, posted to accounting records, and deposited in the bank.	Monthly
Paratransit Customer Eligibility	Reconcile paratransit customer information to State of Ohio death records and evaluation the possibility for fraud, waste, and abuse.	Annually

Revenue

YoY Revenue Breakdown



	Brinks	Bank	GL
Farebox			
In-Station			
Mobile		*	*

- < 2% Variance
- Follow-up In Progress
- * Mobile in Development



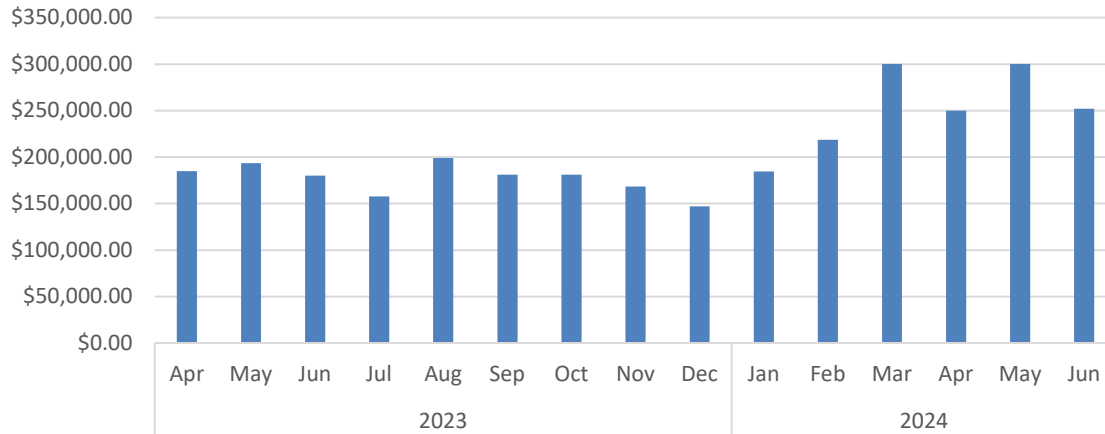
Purchasing Card

Second Quarter 2024

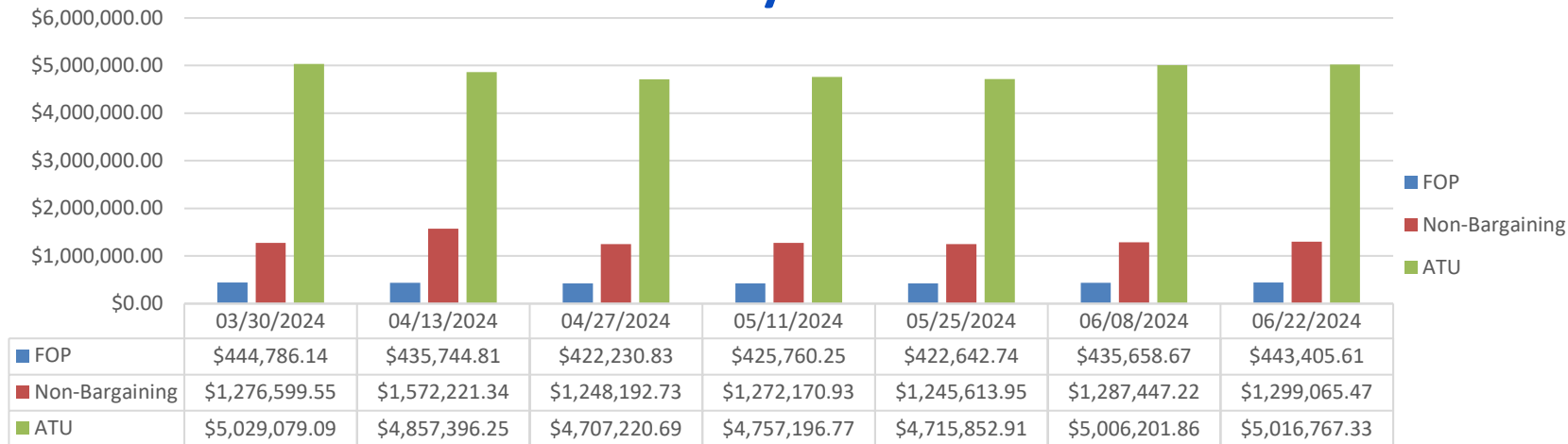
Average Purchase	Highest Purchase	Count
\$ 361.93	\$ 8,838.4	2217

Tests
Documentation Missing
Document Review Threshold
Non-US
Holidays/Weekends
Organizations
Schools
Computers/Electronics
Food
Over \$10,000

Year Over Year Purchasing Total



Payroll



Second Quarter	
Pay Periods	7
Records analyzed	48,000
Total Compensation	\$46,321,255.14

Tests	
Excessive Worked Hrs	Terminated Employees
Excessive Overtime	Deductions <10%

Continuous Auditing

Updated, New, and In Development

Title	Objective	Status
Nepotism	Enhancements to automation and tracking	Updated
Compensatory Time - SNE	Reconcile employee compensatory hours and earnings across timekeeping and payroll systems	In Development - Monthly
Mobile Ticketing Reconciliation	Reconcile mobile fares collected to mobile fare contract	In Development - Monthly
Fuel Expense	Reconcile fuel deliveries and expenses	Audit in Progress

Special Requests/Emerging Issues

Internal Audit – Inspector General Duties

- Transit Police – Office of Professional Standards – Internal Affairs Process Review (In-progress)
- Salary Non-Bargaining Non-Exempt Compensatory Time (Reporting)
- Diverted Vendor Payment (Reporting)

External Audit Coordination

- State of Ohio Auditor 2023 Single Audit
- State of Ohio Department of Transportation
 - Rail Safety Oversight Program
 - State Safety Oversight Triennial Review
- Federal Transit Administration - Project Management Oversight – Railcar Replacement Program

IIA Global Audit Standards

Standard 9.5 Coordination and Reliance – The chief audit executive must coordinate with internal and external providers of assurance services and consider reliance on their work.

Status of Outstanding Follow-up

All audit results and recommendations are tracked and monitored in the Internal Audit - Audit Management System.

Upon verification, issues are closed.

IIA Global Audit Standards

Standard 15.2 Confirming the Implementation of Recommendations or Action Plans –

Internal auditors must confirm that management has implemented internal auditors' recommendations or management's action plans.

Other Projects

Healthcare Claims Co-sourcing

- Annual healthcare expenses exceed approximately \$32 million.
- We will reengage our audit software provider to update our claims auditing system to evaluate healthcare claims for compliance with plan design.
- Scope will include previous two years of claims.

Other Projects

Others

- Fraud Hotline
- Information Technology Council
- Change Order Review Committee
- Railcar Replacement Steering Committee
- Maintenance Management System Upgrade (Ultramain)
- Oracle Upgrade Steering Committee
- Executive Records Management Commission

Staff Training

Internal Audit Department staff received the following training during the Second Quarter 2024:

- Ethics and Cyber-Asset Strategy (NEOIIA/OSCPA)
- APTA Rail Conference – Various Sessions
- Ohio Ethics Law (GCRTA/Ohio Ethics Commission)

Questions & Feedback

