OCTA

February 19, 2026

To:	Finance and Administration Committee
From:	Darrell E. Johnson, Chief Executive Officer
	Janet Sutter, Executive Director Internal Audit Department
Subject:	Audit Responsibilities of the Finance and Administration Committee

Overview

The Finance and Administration Committee of the Board of Directors of the Orange County Transportation Authority serves as an audit committee in its oversight of audit activities. Annually, the Board of Directors approves the audit responsibilities of the Finance and Administration Committee to reaffirm these responsibilities.

Recommendation

Approve the audit responsibilities of the Finance and Administration Committee.

Background

The Internal Audit Department (Internal Audit) is an independent appraisal function, the purpose of which is to examine and evaluate the Orange County Transportation Authority's (OCTA) operations and activities. Internal Audit also coordinates and monitors the activities of external auditors, including the independent financial statement auditors. The Finance and Administration Committee (Committee) serves as OCTA's audit committee, having primary responsibility for the oversight of all audit activities.

Discussion

The Committee receives and reviews the annual Internal Audit Plan (Plan), all audit reports and management responses, and quarterly updates to the Plan. The Committee reviews the independently audited financial statements of OCTA and its related entities, as well as the external auditor's required communications, including any recommendations resulting from the audits performed.

The Board of Directors originally adopted the audit responsibilities of the Finance and Administration Committee to establish responsibilities of the Committee with regard to audits. The responsibilities include an annual affirmation of the roles and responsibilities of the Committee in fulfilling this role.

Summary

Audit responsibilities of the Committee include Committee review of OCTA's audited financial statements, oversight of its Internal Audit function, and communication with its external auditors. These responsibilities are presented for review and approval.

Attachment

A. Orange County Transportation Authority Audit Responsibilities of the Finance and Administration Committee

Approved by:

Janet Sutter
Executive Director, Internal Audit
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