

**Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2022-23 Internal Audit Plan
Third Quarter Update**

Audit Activity	Project Number	Description	Primary Audit Type	Planned Staff Hours	Staff Hours To Date	Under (Over)	Status (Date Issued)
Mandatory External Independent Audits							
Annual Financial Audits and Agreed-Upon Procedures (AUP) Reviews	FY23-001 through FY23-004	Coordinate and report on annual financial and AUP reviews for fiscal year (FY) 2021-22.	Financial	420	330	90	In Process
External Regulatory Audits	FY23-005	Coordinate and report on external audits by regulatory or funding agencies.	Compliance	60		60	
Internal Audit Department (Internal Audit) Projects							
Risk Assessment and Annual Audit Plan	FY23-100	Preparation of the annual audit plan, quarterly updates to the audit plan, and periodic assessment of risk throughout the year, including monitoring the audit results of related entities.	Audit Plan and Updates	180	46	134	
Quality Assurance and Self-Assessment	FY23-101	Update of Internal Audit Policies & Procedures. Annual self assessment of Internal Audit's compliance with Generally Accepted Government Auditing Standards.	Quality Assurance	180	244	(64)	
Fraud Hotline Activities	FY23-102	Administrative duties related to maintenance of the Fraud Hotline and work related to investigations of reports of fraud, waste, or abuse.	Fraud Hotline	160	77	83	6 Reports Received
Automated Workpaper Solution	FY23-103	System updates/training related to automated workpaper solution.	Workpaper System	40	30.5	10	
Internal Audits							
Clerk of the Board							
Public Records Requests	FY22-510	Assess and test controls in place to ensure compliance with regulations, policies, and procedures for processing Public Records Act requests.	Compliance	180	138	43	Complete 8-10-22
Planning							
Comprehensive Transportation Funding Programs	FY23-508	Audit selected projects for compliance with Measure M2 Ordinance, policies, and procedures.	Compliance	320	557	(237)	In Process
People and Community Engagement							
Training and Educational Reimbursement	FY23-503	Assess and test the adequacy of controls related to employee training administration and educational reimbursements, and determine compliance with policies and procedures.	Operational	240	380.5	(141)	Complete 1-10-23

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Life Insurance Benefits	FY23-505	Assess and test policies, procedures, and controls over administration of employee life insurance benefits.	Operational	240	187	53	In Process
Workers' Compensation	FY23-501	Assess and test controls related to administration of Workers' Compensation claims, including contractor support.	Operational	300	439	(139)	Complete 2-28-23
Customer Information Center	FY23-514	Assess and test oversight, contract compliance, and invoice review controls related to the provision of services by the third-party provider.	Internal Control/ Compliance	240	67	173	In Process
Capital Programs							
OC Streetcar - Design and Construction	FY22-505	Assess and test oversight controls, contract compliance, and invoice review controls related to construction of the OC Streetcar project.	Internal Control / Compliance	24	18	6	Complete 7-13-22
On-Call Right-of-Way (ROW) and Appraisal Services	FY22-511	Assess and test oversight, contract compliance, and invoice review controls over the use of consultant services for ROW and appraisal services.	Internal Control / Compliance	80	180	(100)	Complete 11-16-22
Anaheim Canyon Station Improvements	FY23-5XX	Assess and test oversight controls, contract compliance, and invoice review controls related to the Anaheim Canyon Station Improvements project.	Internal Control / Compliance	300		300	
OC 405 Partners	FY23-5XX	Assess and test oversight controls, contract compliance, and invoice review controls related to the OC 405 design-build project.	Internal Control / Compliance	400		400	
Operations							
OC ACCESS Eligibility	FY23-510	Review ACCESS eligibility process, assess and test oversight controls, contract compliance, and invoice review controls.	Operational / Compliance	280	251.5	29	Complete 3-20-23
Non-Revenue Vehicle Purchases and Assignment	FY22-512	Review non-revenue vehicle and accessory purchases and assignments to determine compliance with policies and procedures and evaluate activities to assess economy and efficiency.	Internal Control/ Operational	40	48	(8)	Complete 8-23-22

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Finance and Administration							
Treasury	FY23-502, FY23-507	Semi-annual review of investments: compliance, controls, and reporting.	Compliance	300	433	(133)	Complete 2 Reports Issued
Accounts Payable	FY23-504	Assess and test controls over accounts payable operations.	Operational	320	31	289	
Lost and Found Operations	FY23-513	Assess and test controls and activities of lost and found operations.	Operational	220	58.5	162	In Process
Cybersecurity	FY23-509	Design a scope of work and procure an audit consultant to evaluate OCTA's Cybersecurity program.	Internal Control/ Operational	100	44	56	In Process
Independent Cost Estimates	FY22-513	Review and test controls to ensure independent cost estimates are properly prepared and in compliance with regulations, policy, and procedures.	Internal Control/ Compliance	160	315	(155)	Complete 10-25-22
Price Reviews	PR23-XXX	As requested by the Contracts Administration and Materials Management (CAMM) Department, apply AUP to sole source, single bid, and architectural and engineering firm proposals.	Price Review	900	453	447	13 Reports Issued
Buy America	FY23-506	As requested by CAMM, apply AUP to determine compliance with Buy America requirements.	Buy America	120	157	(37)	1 Report Issued
Government Relations							
State and Federal Consultant Contracts	FY23-512	Assess and test oversight, contract compliance, and invoice review controls related to state and federal consultant activities.	Internal Control/ Compliance	240	114	126	Complete 3-10-23

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Unscheduled Reviews and Special Requests							
Unscheduled Reviews and Special Requests	FY23-800	Time allowed for unplanned audits and requests from the Board of Directors (Board) or management.	Varies	240	21	219	
Monitoring Activities							
Measure M Taxpayer Oversight Committee (TOC)	FY23-601	Coordination of audit activities on behalf of the Audit Subcommittee of the TOC.	Administrative Support	60	17	43	
Metrolink Audit Activities	FY23-602	Review/monitor audit results of Metrolink activities.	Non-Audit Service	20		20	
Bus Base Inspections	FY23-603	At the request of the Operations Division, participate in annual base inspections.	Non-Audit Service	80	34	46	Complete
Follow-Up Reviews							
Follow-Up Reviews and Reporting	FY23-700	Follow-up on the status of management's implementation of audit recommendations.	Follow-Up	240	447	(207)	
Total Audit Project Planned Hours (A)				6,684	5,117		

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Internal Audit Administration							
Board and Committee Meetings				180	124	56	
Executive Steering and Agenda Setting Meetings				180	91.5	89	
Internal Audit Staff Meetings				140	125.5	15	
Other Administration				1,500	1,069	431	
Total Hours (B)				8,684	6,527		
Department Target Efficiency (A/B)				75%	79%		
Target Efficiency - Professional Staff				80%	84%		

Contingency: Internal Audit

Bus Advertising Revenue	FY23-5XX	Assess and test oversight and contract compliance controls related to the agreement for bus advertising.
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