

**Orange County Transportation Authority
Internal Audit Department
Fiscal Year 2019-20 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 Reviews	FY20-001 through FY20-004	Coordinate and report on annual financial and agreed-upon procedures reviews for fiscal year 2019-20.	Financial	450	494	(44)	Complete
Federal Triennial Review	FY20-006	Coordinate and report on results of the required Federal Transit Administration's Triennial Review.	Compliance	80	14	66	Issued 10-31-19
External Regulatory Audits	FY20-005	Coordinate and report on external audits by regulatory or funding agencies.	Compliance	60	4	56	
Internal Audit Department Projects							
Risk Assessment and Annual Audit Plan	FY20-100	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	200	72	128	
Quality Assurance and Self-Assessment	FY20-101	Update of Internal Audit Policies & Procedures. Annual self assessment of the Internal Audit Department's (Internal Audit) compliance with Government Auditing Standards.	Quality Assurance	160	152	8	
Fraud Hotline Activities	FY20-102	Administrative duties related to maintenance of the fraud hotline and work related to investigations of reports of fraud, waste, or abuse.	Fraud Hotline	240	54	187	23 Reports Year-to-Date
Automated Workpaper Solution	FY20-103	System updates/training related to automated workpaper solution.	Workpaper System	40	26	14	
Internal Audits							
Clerk of the Board							
Board Compensation and Ethics Compliance	FY19-513	Review procedures and record-keeping processes evidencing compliance with Assembly Bill 1234.	Compliance	180	202	(22)	Complete 10-31-19
Express Lanes Program							
Master Custodial Agreement	FY19-514	Review and test activities related to the Master Custodial Agreement between the Orange County Transportation Authority (OCTA), Riverside County Transportation Commission, and the Bank of the West for tracking and deposit of revenues and transponder deposits.	Compliance	300	308	(8)	Complete 12-10-19
Human Resources and Organizational Development							
Medical Exams	FY20-508	Assess and test controls to ensure compliance with Federal Motor Carrier Safety Administration regulations, policy and procedurs related to employee medical safety certifications.	Compliance	180	399	(219)	In Process
Department of Motor Vehicles (DMV) Pull Notice Program	FY20-5XX	Assess and test operation of the DMV Pull Notice Program.	Compliance	240		240	

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Capital Programs							
Interstate 5 (I-5) Project: State Route (SR) 55 to SR-57	FY20-5XX	Review the I-5 Project: SR-55 to SR-57, including project administration, oversight controls, and contract compliance.	Internal Control/ Compliance	300		300	
Orange Transportation Center Parking Structure Project	FY19-508	Review of the Orange Transportation Center Parking Structure Project, including project administration, oversight controls, and contract compliance.	Internal Control	220	184	37	Complete 10-31-19
Planning							
Comprehensive Transportation Funding Programs (CTFP): Oversight and Reporting	FY20-5XX	Review and assessment of OCTA's monitoring and reporting controls related to CTFP projects.	Internal Control	240		240	
Operations							
Coach Operator Scheduling	FY19-505	Review the coach operator scheduling process, including the use of the HASTUS application.	Operational	80	88	(8)	Complete 8-26-19
Same Day Taxi Service	FY20-503	Assess adequacy of oversight controls and contract compliance with key provisions of the agreement with Yellow Cab of Orange County for the provision of Same Day Taxi Service.	Internal Control/ Compliance	300	279	22	Complete 1-8-20
Revenue Vehicle Maintenance	FY20-506	Evaluate the adequacy of controls in place to ensure compliance with revenue vehicle maintenance standards and test for compliance with maintenance policy and procedures.	Operational	300	336	(36)	In Process
Finance and Accounting							
Treasury	FY20-502, FY20-509	Semi-annual review of investments: compliance, controls, and reporting.	Compliance	200	313	(113)	Complete 11-4-19
Grant Closeouts	FY19-510	As-needed, required financial and compliance audits of grants at closeout to ensure propriety of expenditures.	Compliance	40	22	18	Complete 7-31-19
Renewable Natural Gas Credits	FY19-511	Review and test compliance with the agreement with Element Markets for renewable gas credits.	Compliance	60	23	37	Complete 7-16-19
Corporate Credit Cards	FY20-504	Evaluate the adequacy of controls over corporate credit cards and test for compliance with policy and procedures.	Operational	240	222	18	Complete 12-23-19
Interagency Revenue Agreements	FY20-505	Review and test activities related to the interagency fare revenue agreements between OCTA and Southern California Regional Rail Authority and the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency.	Operational	240	196	44	Complete 2-5-20
Banking Services - Bank of the West	FY20-507	Assess and test controls to ensure compliance with the agreement between OCTA and Bank of the West for banking services.	Operational/ Compliance	240	70	170	In Process
Information Systems							
Patch Management	FY20-501	Assess the adequacy of the patch management program.	Operational	120	122	(2)	Complete 18-20

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Contract Administration and Materials Management (Camm)							
Price Reviews	PR20-0XX	As requested by the Contracts Administration and Materials Management (Camm) Department, apply agreed-upon procedures to Sole Source, Single Bid, and Architectural and Engineering firm proposals.	Price Review	800	875	(75)	25 Reports Issued
Buy America	FY20-5XX	As requested by Camm, apply agreed-upon procedures to determine compliance with Buy America requirements.	Buy America	200	2	198	
External Affairs							
Bus Marketing	FY19-512	Review the bus marketing program; assess and test oversight controls and contract compliance over contracts for bus marketing.	Operational/ Compliance	160	453	(293)	Complete 12-5-19
Unscheduled Reviews and Special Requests							
Unscheduled Reviews and Special Requests	FY20-800	Time allowed for unplanned audits and/or to address requests from the Board and management.	Varies	240	48	192	
COVID-19 Response and Downtown							
COVID-19 Response	FY20-XXX	Time spent working on COVID-19 Response.		-	17	(17)	
COVID-19 Downtime	FY20-XXX	Downtime related to COVID-19.		-	76	(76)	
Monitoring Activities							
Measure M Taxpayer Oversight Committee (TOC)	FY20-601	Coordination of audit activities on behalf of the Audit Subcommittee of the TOC.	Administrative Support	60	8	52	
Metrolink Audit Activities	FY20-602	Obtain and review audit results of Metrolink activities.	Non-Audit Service	40		40	
Capital Asset Inventory Observation	FY20-604	At the request of the Finance and Administration Division, observe and apply limited procedures related to the bi-annual capital asset inventory counts.	Non-Audit Service	80		80	
Bus Base Inspections	FY20-603	At the request of the Operations Division, participation on annual base inspection teams.	Non-Audit Service	40	20	20	Complete
Follow-up Reviews							
Follow-up Reviews and Reporting	FY20-700	Follow-up on the status of management's implementation of audit recommendations.	Follow-up	320	210	110	
Total Audit Project Planned Hours (A)				6,650	5,287	1,364	

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Internal Audit Administration							
Board and Committee Meetings				180	87	94	
Executive Steering and Agenda Setting Meetings				180	91	90	
Internal Audit Staff Meetings				150	117	33	
Other Administration				1,500	1,136	365	
			Total Hours (B)	8,660	6,716	1,944	
			Department Target Efficiency (A/B)	75%	79%		
			Target Efficiency - Professional Staff	80%	83%		