



ITEM ID: 2025-187-0

TRANSMITTAL DATE: May 16, 2025

MEETING DATE: May 23, 2025

TO: Board of Directors

FROM: Elisabeth Lazuardi, Director, Audit

SUBJECT: Corrective Action Status Update - Third Quarter Ended March 31, 2025

Issue

The Internal Audit Department (Internal Audit) provides the Board with a quarterly report on the status of the corrective actions of prior audits.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. By monitoring the status of corrective actions, we are providing transparency as to the status of business process improvements agency-wide.

Background

At the July 28, 2017, Board meeting, the Board directed Internal Audit to provide the Board with quarterly updates on corrective actions on internal and external audits.

Discussion

For the third quarter ended March 31, 2025, there were 14 items implemented and verified, 4 items implemented pending verification, no item past due, and 18 items not yet due.

The reporting of the corrective actions contains two attachments. Attachments A and B reflect all internal and external audits completed through March 31, 2025. The status of the corrective actions for these audits has been updated through the transmittal date of this report.

Attachment A: Corrective Action Outstanding Items. The attachment includes corrective actions that were not yet due, past due, or implemented pending verification as of March 31, 2025. Corrective actions related to external audit findings will remain on Attachment A until the external auditors clear those findings.

Attachment B: Corrective Action Closed Items. The attachment includes corrective actions that were implemented and verified or closed.

Table 1 below summarizes the activities from Attachments A and B up through the Third Quarter of FY 2025.

Table 1. Corrective Action Activities for Q3 FY 2025

Report Name	Report Date	Implemented Verified or Closed	Implemented Pending Verification	Past Due	Not Yet Due
Audit Reports Issued during Q3 FY 2025					
2025-05-IA Deactivation of Employee Badges	2/25/2025	1			6
2024-14-IA PMO Baseline	1/13/2025	3			3
2025-10 EA LACMTA MOU FY 2024	2/18/2025		1		
Audit Reports Issued Prior to Q3 FY 2025					
2025-09-EA ACFR & Single Audit FY2024	12/15/2024				1
2023-06-IA MS289-22 Work Directives	4/30/2024	3			2
2024-02-IA Shared Use Agreements Revenue Billing Process	3/27/2024				1
2024-05-IA Contractor's Physical Access Deactivation Audit	12/21/2023				1
2023-05-IA HR Recruitment and Selection Process	6/22/2023	4			3
2022-03-IA Inventory Tracking & Monitoring	8/22/2022	1			
2022-04-IA DBELO & LC Monitoring Service	1/17/2023		1		1
2021-12-CA Bench Contract – Vendor Selection Process	1/04/2022	2	2		
Total Q3 FY 2025		14	4	0	18

Notes:

DBELO & LC: Disadvantaged Business Enterprise Liaison Officer & Labor Compliance
ACFR: Annual Comprehensive Financial Report

Next Steps

Internal Audit will continue reporting on the status of the corrective actions.

Prepared by: Claudia Casasola, Auditor II

Approved by: Elisabeth Lazuardi, Director, Audit

Attachment(s)

[Attachment A - Corrective Action Outstanding Items Q3 FY2025](#)

[Attachment B - Corrective Actions Closed Items Q3 FY2025](#)