



ITEM ID: 2023-259-0

TRANSMITTAL DATE: September 15, 2023

MEETING DATE: September 22, 2023

TO: Board of Directors

FROM: Elisabeth Lazuardi, Senior Manager, Audit

SUBJECT: Corrective Action Status Update - Fourth Quarter Ended June 30, 2023

**Issue**

The Internal Audit Department (Internal Audit) provides to the Board 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 of corrective actions on internal and external audits.

## **Discussion**

For the fourth quarter ended June 30, 2023, there were 5 items implemented and verified, 5 items implemented pending verification, no item past due, and 27 items not yet due.

The reporting of the corrective actions contains two attachments:

Attachment A: Corrective Action Outstanding Items. The attachment includes corrective actions that were not yet due, past due, or implemented pending verification as of June 30, 2023. 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.

Attachments A and B reflect all internal and external audits completed through June 30, 2023. The status of the corrective actions for these audits have been updated through the transmittal date of this report.

Table 1 below summarizes the activities from Attachments A and B up through the Fourth Quarter of FY 2023.

Table 1. Corrective Action Activities for Q4 FY 2023

| <b>Report Name</b>                                     | <b>Implemented Verified or Closed</b> | <b>Implemented Pending Verification</b> | <b>Past Due</b> | <b>Not Yet Due</b> |
|--|---------------------------------------|---|-----------------|--------------------|
| 2023-05-IA - HR Recruitment and Selection Process      | 1                                     |   |                 | 9                  |
| 2023-07-IA - IT Software Asset Inventory Process       |                                       |   |                 | 6                  |
| <b>Audit Reports Issued Prior to Q4 FY 2023</b>        |                                       |   |                 |                    |
| 2022-06-IA - Tax Exemption and Exclusion Processes     |                                       | 1                                       |                 | 1                  |
| 2022-03-IA - Inventory Tracking and Monitoring         | 1                                     |   |                 | 1                  |
| 2022-04-IA - DBE LC Monitoring Service                 |                                       | 1                                       |                 | 2                  |
| 2021-12-CA - Bench Contract – Vendor Selection Process | 2                                     |   |                 | 8                  |
| 2021-07-IA - HR Onboarding                             | 1                                     |   |                 |                    |
| 2023-01-EA - ACFR & Single Audit                       |                                       | 3                                       |                 |                    |
| <b>Total Q4 FY 2023</b>                                | <b>5</b>                              | <b>5</b>                                |                 | <b>27</b>          |

Prepared by:

Claudia Casasola, Auditor II

Approved by: Elisabeth Lazuardi, Senior Manager, Audit

**Attachment(s)**

Attachment A - Corrective Action Outstanding Items

Attachment B - Corrective Action Closed Items

Presentation - Corrective Action Status Fourth Quarter