



ITEM ID: 2023-204-0

TRANSMITTAL DATE: May 19, 2023

MEETING DATE: May 26, 2023

TO: Board of Directors

FROM: Elisabeth Lazuardi, Senior Manager, Audit

SUBJECT: Corrective Action Status Update - Third Quarter Ended March 31, 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 third quarter ended March 31, 2023, there were 5 items implemented and verified, 1 item implemented pending verification, no item past due, and 20 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 March 31, 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 March 31, 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 Third Quarter of FY 2023.

Table 1. Corrective Action Activities for Q3 FY 2023

Report Name	Implemented Verified or Closed	Implemented Pending Verification	Past Due	Not Yet Due
(Audit Reports Issued Prior to Q3 FY 2023)				
2022-06-IA Tax Exemption and Exclusion Processes				2
2022-03-IA Inventory Tracking and Monitoring	1			2
2022-05-IA Fuel Purchase Policy FIN 11.1 Rev. 2	1			
2022-04-IA DBE LC Monitoring Service		1		2
2021-12-CA Bench Contract – Vendor Selection Process	1			10
2021-07-IA HR Onboarding				1
2023-01-EA ACFR & Single Audit				3
2021-04-IA Policy FIN 11.1 Fuel Management & Hedging	2			
Total Q3 FY 2023	5	1		20

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](#)