



ITEM ID: 2023-369-0

TRANSMITTAL DATE: January 19, 2024

MEETING DATE: January 26, 2024

TO: Board of Directors

FROM: Elisabeth Lazuardi, Director, Audit

SUBJECT: Corrective Action Status Update - First Quarter Ended September 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 first quarter ended September 30, 2023, there were eight items implemented and verified, four items implemented pending verification, no items past due, and 23 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 September 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 September 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 First Quarter of FY 2024.

Table 1. Corrective Action Activities for Q1 FY 2024

Report Name	Implemented Verified or Closed	Implemented Pending Verification	Past Due	Not Yet Due
Audit Reports Issued during Q1 FY 2024				
2013-11-EA 2023 FTA Triennial Review				3
Audit Reports Issued Prior to Q1 FY 2024				
2023-05-IA HR Recruitment and Selection Process	2			7
2023-07-IA IT Software Asset Inventory Process	3			3
2022-06-IA Tax Exemption & Exclusion Process	2			
2022-03-IA Inventory Tracking & Monitoring				1
2022-04-IA DBE LC Monitoring Service	1	1		1
2021-12-CA Bench Contract – Vendor Selection Process				8
2023-01-EA ACFR & Single Audit		3		
Total Q4 FY 2023	8	4		23

Notes:

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

Prepared by: Claudia Casasola, Auditor II

Approved by: Elisabeth Lazuardi, Director, Audit

Attachment(s)

[Attachment A - Q1 2024 Corrective Action Outstanding Items](#)

[Attachment B - Q1 2024 Corrective Action Closed Items](#)

[Presentation - Q1 2024 Corrective Action Status Update](#)