

Minutes

RTA Audit, Safety Compliance & Real Estate Committee Meeting

10:01 a.m. May 24, 2022

Committee Members: Koomar (Chair), Joyce, McCall, Weiss **Not present:** Moss

Other Board Members: Biasiotta, Duarte, Lucas, Pellot, Welch

Staff: Benford, Birdsong, Burney, Caver, Coffey, Dangelo, Feke, Fields, Freilich, Garofoli, Gautam, Kirkland, Miller, Mothes, Schipper, Talley, Walker-Minor, Young

Public: Bingaman, Gibbons, Kisner II (Samuel), Kisner (Kim), Loh, Lowrie, Pinkney-Butts

The meeting was called to order at 10:01 a.m. There were four (4) committee members present. In accordance with the Ohio Open Meetings Act and House Bill 51, signed into law on February 17, 2022 and effective immediately through June 30, 2022, this meeting will be live-streamed on RTA's Board Page www.RideRTA.com/board via the meeting date for staff and members of the public. House Bill 51 allows Board members to participate by telephone or video and be considered present as if in person. It also allows Board members to vote and be counted for the purpose of determining a quorum while attending by telephone or video.

Internal Audit Quarterly Report – 1st Q 2022

Tony Garofoli, Executive Director of Internal Audit, gave the presentation. On May 5, 2022, the activities in the report were presented in detail. Today's presentation is a summary and will go over the following items:

- 2022 Audit Plan
- Completed Projects
- Continuous Auditing
- Projects in Progress
- Special Requests/Emerging Issues
- External Audit Coordination
- Status of Outstanding Follow-up
- Other Projects
- Staff Training
- Staff Profiles

Pages 3-4 include the Internal Audit Plan approved at the March 2022 Board Meeting. They continue to execute the plan. In addition to the plan and special request, they continue to focus on the risk brought on to the Authority brought by the Pandemic. Pages. 5-9 are the results of eight projects completed during the first quarter. They include travel expense and request, bus audit of the articulated BRT vehicles (16). All those vehicles are in service. They completed an audit of the CNG (20) replacement vehicles for the Triskett District. All vehicles are in service. They completed the inventory internal controls review of the farebox security components, tire lease and maintenance contract, petty cash accounts, procurement activities in the PTASP and sales agent collections. They met with management and received responses and released the reports. They will track the implementation of the recommendations in their audit management system.

Pages 10-13 include results of their continuous auditing program. This is where they develop audit scripts to interrogate system data, completing 100% audits of the transactions. They provided a p-card script demonstration for the Audit Committee at the May 5, 2022 meeting. They are now fully staffed and

included all the outstanding data from past audit periods. Those projects include fare collection system script, representing 94% of collections. The system is working as designed. They completed a review of all credit card transactions posted to revenue accounts without any exceptions. They executed the p-card script for the past 18 months. They selected a risk-based sample of employer reports to evaluate compliance with the administrative procedures. They will report out on these findings next quarter. They are improving the script used to evaluate nepotism in compliance with the RTA code of ethics. They will report out on these findings next quarter. Pages 16-24 are projects in progress in various stages. They added updates to provide the readers transparency and information status. This section includes projects where field work was completed. They are waiting for responses from management before releasing the report. He will report on these projects at the next meeting.

Pages 25-28 are projects resulting from special request and emerging issues. They reserve 15% of their person hours to these projects. They completed an employee time and attendance audit, Main Office Building garage repairs audit and computer purchasing audit. They met with management, received the responses, and released the reports. They will track the implementation of these recommendations in their system. They will continue their progress on remaining projects and report out at the next meeting. Page 29 include their efforts with external auditors. The State Auditors are onsite completing the 2021 Federal Single Audit. They are working with management and auditors to coordinate efforts to minimize duplication of efforts and provide better risk coverage. The auditors will present their results at the end of the 2nd quarter under the Finance Division. The FTA completed a triennial review of the ODOT State Safety Oversight Program. Management received a final report at the end of March. They are implementing recommendations for improvement.

The remainder of the report is informational. They will continue to follow up on all recommendations to validate whether corrective actions are implemented. They participated in several committee meetings to learn and share risk management strategies. Page 33 includes the staff training they attended this quarter. The last page is their staff profiles. Mr. Joyce asked if the State is auditing the internal audits or is it just oversight. Ms. Garofoli said the State has a law where the Auditor of State conducts a federal single audit and financial audit on an annual basis. This includes an audit of grants. Mayor Koomar congratulated his team on being fully staffed and getting caught up on projects.

The meeting was adjourned at 10:10 a.m.



Rajan D. Gautam
Secretary/Treasurer



Theresa A. Burrage
Executive Assistant