Internal Audit Division
Quarterly Update
Audit and Reporting Committee
December 15, 2016
Internal Audit Update

• Internal Audits Completed
• Internal Audits In Progress
• 2017 Internal Audit Work Plan
• Potential Topics for the 2017 Performance Audit
Internal Audits Completed
Audits Completed

- Wireless Device Program (Follow-Up)
- Construction Change Order (Follow-Up)
- Records Management
- Diversity Program Reporting
Audit Objective
To determine whether management has taken effective corrective actions to address the 2013 audit finding.

Audit Conclusion
One Reportable Condition
• Management has not taken effective corrective actions to address the 2013 audit finding.
Audit Objective
To determine whether management controls are effective to prevent/detect duplicate change orders and incomplete change order packages.

Audit Conclusion
No Reportable Condition
Audit Objective

To determine whether

- Departments/Divisions have effective document controls to create, use, and store records during the active phase.
- The Records Management Division has effective controls for retaining and disposing inactive records during the archival phase.

Audit Conclusion

One Reportable Condition

- Controls over storage, retention, and disposition of records are not adequate due to lack of agency wide procedures.
Audits Completed – Diversity Program Reporting

Audit Objective
To determine whether:

• OSBDLC has an effective process to determine a DBE goal in compliance with applicable federal and Sound Transit requirements.
• OSBDLC has effective management controls to ensure timely, complete, and accurate submission of the semi-annual Uniform DBE and triennial Title VI reports to FTA.

Audit Conclusion
No Reportable Condition
Internal Audits in Progress
Audits in Progress

• 2016 Performance Audit of the Job Order Contracting (JOC) Program
• Indirect Cost Rate (Follow-Up)
• Facilities Service Contract Monitoring
• Payment Accuracy
• Two EC/MC/CM Close-Out Audits
Topics for the 2017 Internal Audit Work Plan
Topics for 2017 IA Work Plan

- IT Asset Management
- Misc. Revenues
- Indirect Cost Payments for Co-located Consultants
- Federal Grant Drawdown
- Non-Regular Compensation (e.g., overtime, stand-by)
- Non-Revenue Vehicles
- Asset Management System

- Prior Audit Follow-Ups
  - Partner Cost Monitoring
- Continuous Monitoring (e.g., goods/services/P-card/emp. pmts)
- Non-Construction Change Orders
- Construction Contract Reviews: GC/EC/MC/CM and others
- Management Requests
Potential Topics for the 2017 Performance Audit
Potential Topics for 2017 Performance Audit

- Construction Budgets
- Real Property Acquisitions
- Construction Scheduling
- Consultant Co-Location