

A low-angle, close-up photograph of a Sound Transit train. The train is white with a prominent teal stripe running along its side. Several windows are visible, some reflecting the sky and others showing the interior. The train is positioned under a glass and steel station canopy. The overall lighting is bright, suggesting a sunny day.

Internal Audit Division Quarterly Update

Audit and Reporting Committee

Dec. 20, 2018

 **SOUNDTRANSIT**

Internal Audit Update

- Internal Audits Completed
- Internal Audits In Progress
- 2019 Internal Audit Work Plan
- Prior Audit Issue Status
- Update on the 2018 Performance Audit
- Topics for the 2019 Performance Audit

A blue-tinted photograph of the front of a bus. A wheelchair lift is extended from the front of the bus. A wheelchair is positioned on the lift. The bus has a wheelchair accessibility symbol on the top left of the windshield. The number '9643K' is visible on the right side of the bus. The text 'Internal Audits Completed' is overlaid in white on the left side of the image.

Internal Audits Completed

Audits Completed

- Asset Disposals
- Small Capital Projects Management

Audits Completed – Asset Disposals

Audit Objective

To determine whether the agency has effective controls to ensure:

- Policies & procedures are comprehensive and provide clear guidance for asset disposals.
- Disposal decisions are timely and based on comprehensive support/methodology.
- Disposal records are complete and accurate.

Audit Conclusion

The audit concluded that agency lacks adequate asset and spare parts disposal procedures.

One Finding

- ❑ Asset and spare parts disposal procedure are inadequate.

Audits Completed – Small Capital Projects

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Audit Objective

To determine whether the agency has effective controls to ensure:

- Realistic budget planning and practical scheduling.
- Adequate performance monitoring for reasonable progress within the established budget.

Audit Conclusion

The Controls over realistic budget planning and performance monitoring for reasonable progress are not adequate.

One Finding

- ❑ Small capital project processes should be strengthened .

The image shows the front of a bus with a wheelchair lift extended. The bus is dark-colored and has a white wheelchair lift platform extended from the front. The lift has a ramp and handrails. The bus has a large windshield with wipers and a side mirror on the left. The number '9643K' is visible on the front of the bus. The entire image is overlaid with a blue tint.

Internal Audits in Progress

Audits in Progress

- PLA Compliance Management
- Customer Complaints Management

The image shows the front of a bus with a wheelchair lift extended. A blue tint is applied to the entire image. The text "2019 Internal Audit Work Plan" is overlaid in white on the left side of the bus.

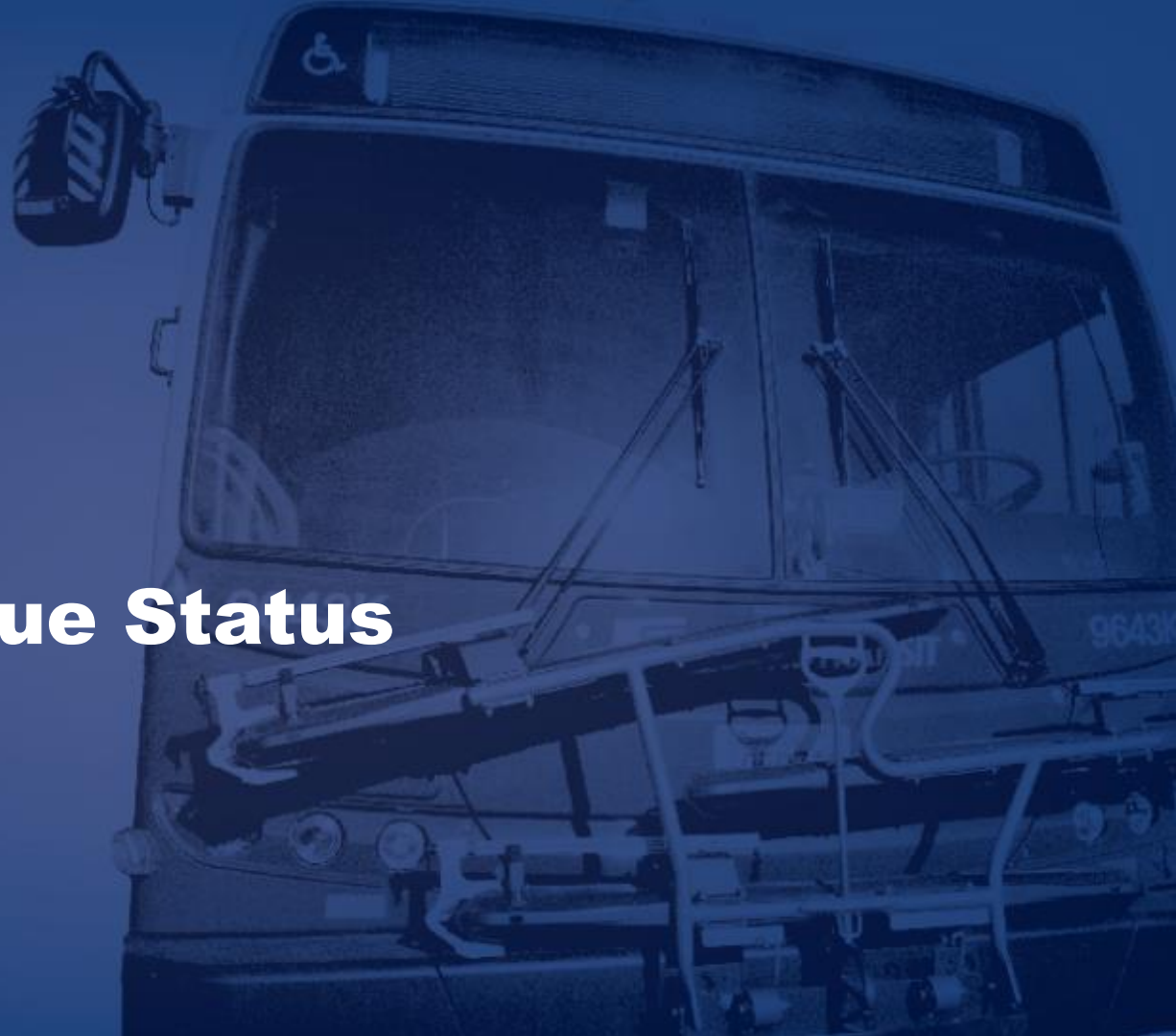
2019 Internal Audit Work Plan

2019 Internal Audit Work Plan

- IT Information Security Governance*
- Partner Cost Monitoring – Pierce Transit*
- Budgeting During Project Development*
- Construction Configuration Mgmt.*
- Partner Cost Monitoring – King County Metro
- Work Order Process at OMF
- Small and Attractive Assets Process
- QA/QC Assurance Program
- Continuous Process Improvement Program
- IT Project Management
- Construction Progress Payment Processing
- Use of Construction Contingency
- Continuous Monitoring of Cash Disbursements – P-card, T-card, honorariums, misc., etc.
- Prior Audit Issue Follow-Up
- Management Requests

* carryover from 2018 work plan

Prior Audit Issue Status



Prior Audit Issue Status

Audit	Issue Date	Status
Sounder Contract Management	Jun. 2016	Completed
Records Management Program	MDec. 2016	Completed
Wireless Device Program	Dec. 2016	Completed
Facilities Services Contract Management	March 2017	Completed
A&E Indirect Cost Rates	March 2017	Ongoing
Indirect Costs for Co-located Consultants	Aug. 2017	Ongoing
Non-revenue Vehicle Program	March 2018	Completed
Miscellaneous Revenues	March 2018	Completed
IT Asset Management	March 2018	Ongoing
Noncompetitive Contracts Procurement	Sept. 2018	Ongoing

The image shows the front of a bus with a wheelchair lift extended. A blue tint is applied to the entire image. The wheelchair lift is in the foreground, and the bus's windshield and wipers are visible behind it. A wheelchair icon is on the top left of the windshield. The number '9643K' is visible on the right side of the bus.

2018 Performance Audit Update

2018 Performance Audit Update

- The 2018 Performance Audit on Project Controls During Construction
 - Audit field work has been substantially complete.
 - Drafting the audit report is underway.
 - A final audit report is expected at the end of January 2019.

A blue-tinted photograph of the front of a bus. A wheelchair lift is extended from the front of the bus. A wheelchair is visible on the lift. The bus has a wheelchair accessibility symbol on the top left of the windshield. The number '9643K' is visible on the right side of the bus. The text '2019 Performance Audit Topics' is overlaid in white on the left side of the image.

2019 Performance Audit Topics

Potential Topics for 2019 Performance Audit

- Phase Gate Process
 - Is the process designed and implemented effectively to provide intended benefits of project transparency and a high level of collaboration among stakeholders?
- Workforce Performance Management
 - Is the system effective in managing the talents in the workforce?

The image features a dark grey horizontal banner across the center. On the left side of the banner is the Sound Transit logo, which consists of a white square containing a stylized 'S' and 'T' symbol. To the right of the logo, the words 'SOUNDTRANSIT' are written in a bold, white, sans-serif font. Below 'SOUNDTRANSIT', the slogan 'RIDE THE WAVE' is written in a smaller, white, sans-serif font. The background of the entire image is a close-up of a transit vehicle with a white upper section and a blue lower section, separated by a wavy teal and blue graphic. The vehicle has several dark windows and some small white signs.

SOUNDTRANSIT
RIDE THE WAVE