



2023 – 2025 Agency Audit Plan

Sound Transit Executive Department
Audit Division



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Purpose of the Three-Year audit plan

The purpose for the three-year plan is to provide a dynamic, longer-range view of audit coverage, allowing for better flexibility and resourcing, evolving and adjusting as risks are identified over time.

This three-year plan now becomes a living document that enables a proactive audit approach and adjusts to the agency’s rapidly changing business environment.

We developed the plan based on several sets of criteria which included, but are not limited to the following:

Audit plan development criteria	
<ul style="list-style-type: none"> • Previous internal audit work 	<ul style="list-style-type: none"> • Diversity, equity, and inclusion (DEI)
<ul style="list-style-type: none"> • Business activity risks 	<ul style="list-style-type: none"> • Structure or organizational change
<ul style="list-style-type: none"> • Complexity of audit 	<ul style="list-style-type: none"> • Risk assessments by other agency departments / divisions
<ul style="list-style-type: none"> • Public or employee impact 	<ul style="list-style-type: none"> • External audit reviews
<ul style="list-style-type: none"> • Agency goal alignment 	<ul style="list-style-type: none"> • Industry trends & best practices
<ul style="list-style-type: none"> • Agency oversight committees’ consideration 	<ul style="list-style-type: none"> • Executive and management considerations

Application of plan criteria towards the audit plan

Audit plan development criteria listed above helped decide topics we decided to audit, as part of Performance Audit work.

Not all criteria of the above applied to the Compliance Audit groups’ work as it is federally and state mandated must be done annually, or is done at various points in conjunction with the agency’s capital project lifecycle.

Performance Audit Group

Audits will occur within the scheduled quarter dates, with the conclusion presented at each quarterly Finance & Audit Committee meeting. Contracted performance audits are not included in these tables. Audits beyond 2023 will be assigned a scheduled date in Q4 prior to the scheduled year.

2023 PERFORMANCE AUDITS			
AUDIT TITLE	RISK CATEGORIES	OBJECTIVE	SCHEDULED
Track Maintenance Scheduling – Link light rail	Service Delivery, Reputational, Financial, and Safety	Assess the scheduling of the track maintenance program for Link light rail.	Q1
ADA Accessibility Compliance at transit stations	Financial, Legal & Compliance, Reputational, Safety and Social Equity	Review transit station accessibility compliance to requirements set by the Americans with Disabilities Act.	
Supervisory Control & Data Acquisitions (SCADA) systems	Service Delivery, Reputational, Legal & Compliance, and Reputational	Evaluate the controls to effectively operate our SCADA system.	Q2
State of Good Repair process – Northgate Link Extension	Service Delivery, Financial, Legal & Compliance, and Safety	Analyze the maintenance and upkeep of equipment along the recently commissioned Northgate Link Extension project.	
Capital Project Closeout Process	Service Delivery, Financial, Legal & Compliance, Reputational	Review agency’s processes to close capital projects.	Q3
Transit Systems Cybersecurity Preparedness	Service Delivery, Financial, Legal & Compliance, Reputational, and Technology	Evaluate and review agency policies and procedures to ensure train controls are protected from becoming compromised.	Q4

2024 PERFORMANCE AUDITS

AUDIT TITLE	RISK CATEGORIES	OBJECTIVE
Fire & Life Safety Program Compliance	Service Delivery, Financial, Legal & Compliance, and Safety	Evaluate procedures, and system readiness on fire life safety equipment throughout the transit system.
ORCA NextGen Maintenance	Service Delivery, Financial, and Technology	Evaluate the functionality and maintenance of ORCA NextGen systems.
Conflict of Interest Oversight - Contractors	Service Delivery, Financial, Reputational, Legal & Compliance	Evaluate the agency's conflict of interest process for contractors.
Positive Train Control (PTC) Reliability	Service Delivery, Reputational, Safety, Technology	Evaluate the performance monitoring, inspections, preventive maintenance and oversight of the Positive Train Control system.
Fare Ambassador Training Program	Legal & Compliance, Reputational, and Social Equity	Evaluate the effectiveness of the agency's fare ambassador training program.
LRV Procurement Quality & Inspection program	Service Delivery, Financial, Safety, and Reputational	Evaluate the LRV procurements quality assurance, and inspection processes.

2025 PERFORMANCE AUDITS		
AUDIT TITLE	RISK CATEGORIES	OBJECTIVE
Employee Safety Reporting	Service Delivery, Legal & Compliance, Reputational, and Safety	Evaluate the effectiveness of the agency employee safety reporting process.
Quality Management Program Review	Service Delivery, Legal & Compliance, Reputational, and Safety	Evaluate compliance of the Portfolio Service Office (PSO)'s design & construction quality management system (QMS) against FTA & regulatory guidelines.
Talent Management	Financial, Legal & Compliance, Reputational, Social Equity	Evaluate controls, policies and procedures adherence for hiring, exit processes, and compliance with employment laws.
Contractor Deliverable oversight (Modal Operations Services)	Service Delivery, Financial, Legal & Compliance, and Reputational	Review compliance to intergovernmental agreement deliverables by contracted partners.
Enterprise Risk Management	Service Delivery and Financial	Follow-up audit to evaluate the adequacy and effectiveness of controls in establishing the Enterprise Risk Management governance, and subsequent agency risk oversight.
Cost / Price Analysis	Service Delivery, Financial, and Technology	Evaluate the governance and controls surrounding cost transparency, and cost monitoring.

****Note, planned audit projects are subject to change and will be assessed annually.**

Compliance Audit Group

Federal and state rules require internal safety audits occur to ensure effective implementation of the Agency Safety Plan across all modes of transit.

Additionally, internal audits of management systems (such as Environmental, Asset Management & Safety) are required to demonstrate implementation and compliance to support recognized management system certifications as part of the Agency’s Strategic Plan.

2023 COMPLIANCE AUDITS	Q1	Q2	Q3	Q4
Internal Safety Audit - ST Express Bus	*			
Environmental & Sustainability Management System (ESMS) Internal Audit		*		
Internal Safety Audit – Tacoma Link		*		
Internal Safety Audit – Sounder Commuter Rail			*	
Integrated Management System (SMS/Asset Management) Internal Audit			*	
Internal Safety Audit – Link Light Rail				*

2024 COMPLIANCE AUDITS	Q1	Q2	Q3	Q4
Internal Safety Audit - ST Express Bus	*			
Internal Security Audit*		*		
Environmental & Sustainability Management System (ESMS) Internal Audit		*		
Internal Safety Audit – Tacoma Link			*	
Internal Safety Audit – Link Light Rail			*	
Integrated Management System (SMS/Asset Management) Internal Audit				*
Internal Safety Audit – Sounder Commuter Rail				*

* Internal Security Audits will be completed by a consulting firm.

2025 COMPLIANCE AUDITS	Q1	Q2	Q3	Q4
Internal Safety Audit - ST Express Bus	*			
Internal Safety Audit – Link Light Rail		*		
Environmental & Sustainability Management System (ESMS) Internal Audit		*		
Internal Safety Audit – Tacoma Link			*	
Integrated Management System (SMS/Asset Management) Internal Audit			*	
Internal Safety Audit – Sounder Commuter Rail				*
Internal Security Audit*				*

* Internal Security Audits will be completed by a consulting firm.

Capital Project – Safety Certification Compliance Audits

Capital Project Safety & Security Certification compliance audits are on a 2-year schedule. The timing of these audits is completed in conjunction with specific points of the lifecycle of the capital projects and is based on information that comes from our partners in safety and the capital project teams.

The schedule listed below is subject to change based on actual timing of each project. If there are changes in project milestone dates, we will adjust our audit plan accordingly.

2023 CAPITAL PROJECT – CERTIFICATION COMPLIANCE AUDITS	Q1	Q2	Q3	Q4
Tacoma Link Vehicle Procurement Safety Audit	*			
Sounder Commuter Rail Vehicle Procurement Safety Audit	*			
Hilltop Link Extension Safety & Security Certification Audits		*	*	*
East Link (E130) Construction Conformance & Integrated Testing Safety & Security Audits		*	*	
East Link (E330/E335/E340) Starter Line 2 Integrated Testing Safety & Security Audits		*	*	
FWLE Design, Construction Conformance & Integrated Testing Safety & Security Audits		*	*	*
Downtown Redmond Link Design, Construction Conformance and Integrated Testing Safety & Security Audits		*	*	*
Lynnwood Link Construction Conformance Integrated Testing				*

2024 CAPITAL PROJECT – CERTIFICATION COMPLIANCE AUDITS **	Q1	Q2	Q3	Q4
Downtown Redmond Link Operational Readiness Safety Audit	TBD			
Lynnwood Link Operational Readiness Safety Audit				
Operations & Maintenance Facility (South) Safety Audits				
Operations & Maintenance Facility (North) Safety Audits				
East Link (E130) Operational Readiness Safety Audits				
East Link (E360) Operational Readiness Safety Audits				
FWLE Operational Readiness Safety Audits				

This list of projects is **tentative based on where each project is in the capital program and where safety feels these are ready for our audit work.

Appendix 1: Capital Project Safety & Security Certification Audit Profiles

Audit Profile 1000: Audits of Hazard Analysis

Audits will be performed to verify the thoroughness and effectiveness of Preliminary Hazard Analysis (PHA) and Operational Hazard Analysis (OHA) for the specific project. Hazard mitigation actions to address the hazards will be sampled and the interface with the operational hazard management process will be assessed. Additionally, as projects mature to revenue service, safety critical items from the PHA may be sampled for proper mitigation and risk reduction during the OHA.

Audit Profile 2000: Audits of Design Verification

Audits near the end of design will verify a sample of Safety Certifiable Items (CI) Conformance Checklist items. Stratified sampling of items will be performed in accordance with chapters from Sound Transit's Design Criteria Manual (DCM), review of applicable codes, industry standards and contract specifications. Reviews will also be completed on the status of hazard mitigations from ST's Safety and Security Certification and Management Plans (SSCPs & SSMPs), and Threat and Vulnerability Assessments (TVAs) to ensure of risk reduction and proper mitigations.

Audit Profile 3000: Audits of Construction Conformance

Audits will be performed to verify that system safety aspects of projects, equipment, and operational considerations are sufficiently completed according to design. Documentation review of Product Data Sheets, Inspection Reports, and Testing Reports will also be sampled. Additionally, as projects mature towards revenue service, safety critical items from the Preliminary Hazard Analysis (PHA) may be sampled for proper mitigation and risk reduction during the Operating Hazard Analysis (OHA).

Audit Profile 4000: Audits of Integrated Testing & Preoperational Testing

Audits will be performed to review and verify that tests, as defined in the System Integration Test Plans, are being performed. Sampling of the thorough completion and verification of all safety and security requirements completed will be tested, documentation supporting verification will be checked for review, approval and subsequently submittal for retention. Additionally, any safety critical

items from the Preliminary Hazard Analysis (PHA) may be sampled for proper mitigation and risk reduction during the Operating Hazard Analysis (OHA).

Audit Profile 5000: Audits of Vehicle Procurement & Configuration

Audits will verify the design of safety aspects of new vehicles according to appropriate specifications, and that the assembly, testing and completion takes place according to design. If car history books or similar documents containing the verification are not available electronically, the documentation audit may take place on-site. Additionally, as projects mature to revenue service, safety critical items from the Preliminary Hazard Analysis (PHA) may be sampled for proper mitigation and risk reduction during the Operational Hazard Analysis (OHA).

Audit Profile 6000: Audits of Operations & Maintenance Readiness

Audits will be performed to verify that contracted and internal training is sufficiently planned and on track for completion to minimize risk and mitigate system safety hazards. All rule books, Standard Operating Procedures (SOP), and Standard Maintenance Procedures (SMP) will be checked to ensure updates have been completed to support system expansion, and that relevant Safety Plans and Procedures are updated as required to support system safety certification. Additionally, we will sample and review the Preliminary Hazard Analysis (PHA) to ensure that hazards have been sufficiently mitigated to the lowest level and have been properly documented.

This audit does not involve overall sampling but rather a complete assessment of ST's readiness to assume operational and maintenance responsibility for a capital project, including new extensions, stations, and/or rail vehicles. Sampling will be done for verification of training records, at a rate of 15% of personnel required to have completed a particular operations or maintenance training regimen.

Audit Profile 7000: Audits of Fire/Life Safety, System Readiness, and Safety & Security Certification Reports

Audits will be performed to verify that specific fire/life safety items are addressed and coordinated with outside agencies, and that all safety certification documentation, including certificates and the verification report, are complete. The audit does not involved overall sampling, but rather a complete assessment of ST's project readiness to assume safe revenue service operation and the completion of the required emergency preparedness planning process. Additionally, as projects prepare for completion and revenue service, a final review of safety critical items from the Preliminary Hazard Analysis (PHA) may be sampled for proper mitigation and risk reduction during the Operating Hazard Analysis (OHA).

Audit Profile 8000: Audits of Pre-Revenue Operations

Audits will be performed to review all agency documentation and ensure the agency's preparation for an FTA Safety & Security Readiness Review (SSRR). Sampling of items is performed in accordance with chapters from the agency's Design Criteria Manual, Safety and Security Certification and Management Plans (SSCP & SSMP), and Rail Activation Plans. Additionally, a process audit shall be performed addressing the adequacy of the proposed public awareness plan, safety outreach plan, and evaluation of final hazard & risk mitigations (PHA, OHA, & TVA), to include interviews with Sound Transit Safety, Security, and Operations staff.

Requirements & Independence

The Audit Division conducts audits in accordance with Generally Accepted Government Auditing Standards (GAGAS or “Yellow Book”) promulgated by the United States Government Accountability Office (GAO), and The Institute of Internal Auditors’ (IIA) International Professional Practices Framework (IPPF or “Red Book”).

Additionally, the Audit Division is also committed to follow oversight standards set forth by the Federal Transit Administration (FTA), Federal Railroad Administration (FRA); as well as any additional federal, state requirements or standards Sound Transit is subject to adhere to.

Furthermore, audit standards require confirmation, at least annually, of the organizational independence of the internal audit activity. Sound Transit’s Audit Division is organizationally independent of management and, as such, remains objective when conducting audits, and staff have no conflicts of interest with subject matter contained in this three-year (3) Audit Plan.