

# ***Audit Division Update***

**Data Classification: Unrestricted**

*Finance and Audit Committee*

*3/17/22*



# *Why we are here*

- **Audit Division overview**
  - Benefits of Agency-wide Audit Division
- **Audit Workplan – Q1 2022**

# *Why do we audit?*

## **1. Regulatory required (We have to)**

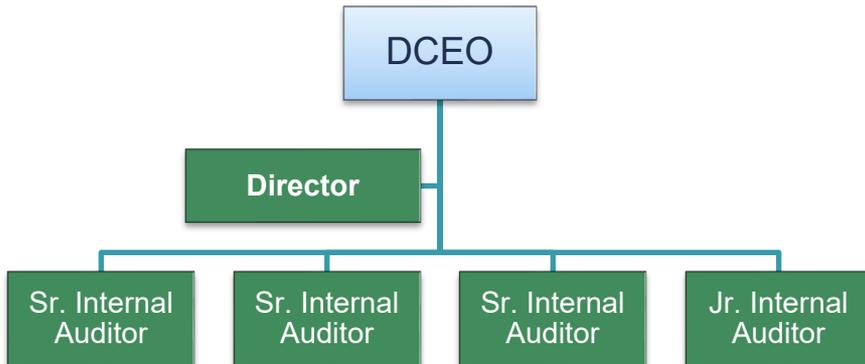
- Ensure safety practices have been established and are practiced

## **2. Mechanism for continuous improvement (We should)**

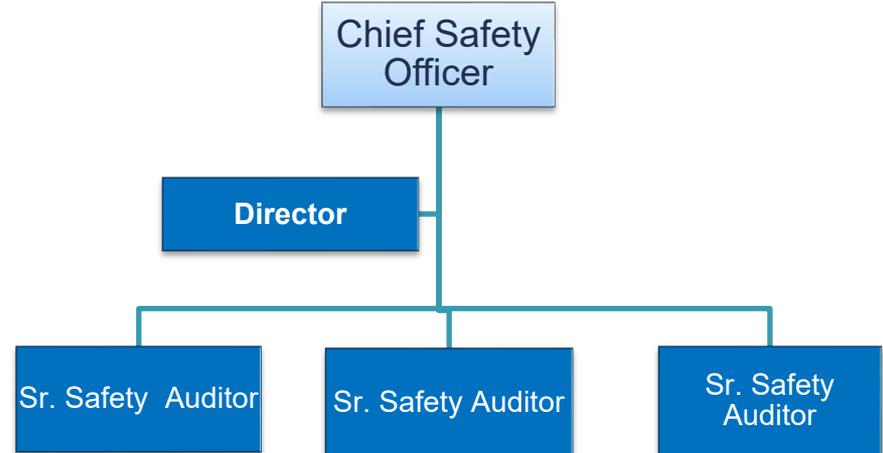
- Provide objective analysis and conclusions for governance and oversight
- Improve performance and efficiency

# History of the Audit Function

## Internal Audit



## Safety Assurance Audit



# Audit Landscape



# Audit Division – Currently

Director  
Audit Division

Audits completed or coordinated

## Performance Audit Group

## Compliance Audit Group

- Performance & Operations Audits
- Fraud, Waste, and Abuse Investigations
- Internal Controls

- Management Systems Audits
- Modal Safety Audits
- Capital Project Safety Audits

Audits tracked



***Benefits of an Agency-wide  
Audit Division***

# Benefits of Agency-wide Audit Division

- **Improved planning of the right audits at the right time**
- Brings the Audit Division along for tracking
- Help navigate the “why” the audit is occurring and help you prepare for the audit
- Create efficiencies by strategically selecting the number of planned internal audits
- Improve audit scheduling & timing

# What we've done already...

- **Standardized Common Audit Practices** – *Audit Entrance & Exit Meetings; Committee Reporting*
- **Scrutinized schedule consideration** – *Audit planning considerations to ease the burden of multiple audits at one time*
- **Finalizing Procedural Updates** – *Developed common plain language procedures across all internal audits platforms*

# *On the path to improve*

- *3 Year Agency Audit Plan*
- Risk Assessment protocols
- Corrective Action & Follow-up reporting processes
- Agency Audit Standards Manual
- Policies & procedures realignment for Whistleblower & Financial Irregularities

***Audit Division Workplan  
Q1 2022***

# 2022 Audit Plan (Performance)

Audit Topic	Status
Land & Airspace Leases of State-Owned Land (JLARC) – Consultative	<b>In Progress</b>
Structure Oversight for Bridges, Garages, Stations and Tunnels	<b>March 2022</b>
Data Classification Oversight & Retention	<b>March 2022</b>
Vertical Conveyance Systems	Q2 2022
Contract Deliverables for Transit Police	Q2 2022
Project Integration & Delivery	Q3 2022
Revenue Vehicle Preventive Maintenance (PM) Process	Q3 2022
Agency Agreements	Q4 2022

# 2022 Audit Plan (Performance) Cont.

Audit Topic	Status
Review of Secondary Control & Data Acquisition (SCADA) System	On track

- Consultant solicitation is currently in progress
- Planned period of performance to be from April until October 2022
- Final presentation to Citizen Oversight Panel & Finance & Audit Committee in October

# 2022 Audit Plan (Compliance)

Audit Topic	Status
ST Express Bus Annual Internal Safety Audit	In Progress
Environmental Management Systems Internal Audit	Q2 2022
Link Light Rail / Tacoma Link Annual Internal Safety Audit	Q3 2022
Safety and Asset Management Systems Internal Audit	Q3 2022
Sounder Commuter Rail Annual Internal Safety Audit	Q4 2022

# 2022 Audit Plan (Compliance – Capital)

Audit Topic	Status
East Link E330 / E340 Design Conformance Safety & Security Audit	In Progress
East Link E330 / E340 Construction Conformance Safety & Security Audit	Q2 2022
Tacoma Link Vehicle Procurement Safety Audit	
OMFE Final Safety & Security Audit	Q3 2022
Downtown Redmond Link Design Conformance Safety & Security Audit	
Hilltop Link Construction Conformance Safety & Security Audit	Q4 2022

*Thank you.*



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