

Metropolitan Council Audit Committee Audit Report 2019



**Matt LaTour, Director
Program Evaluation & Audit**

Mission Statement

The mission of Program Evaluation and Audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.

Audit Committee

The purpose of the Audit Committee is to provide structured systematic oversight of the organization's governance, risk management, and internal control practices.

Council Members:

Chair Judy Johnson, District 1
Vice Chair Chai Lee, District 13
Deb Barber, District 4
Susan Vento, District 11

Community Members:

Amy Jorgenson (Minnesota Management & Budget)
Andra Roethler (Hennepin County)
Quinn Gaalswyk (University of Minnesota)
Gracie George (US Bank)

Internal Audit



Chief Audit Executive (Director), Auditors(7),
Interns(3), Audit Coordinator

Chief Audit Executive

Matt LaTour

Audit Coordinator

Tamara Rein

Auditors

Akua Asare, Kevin Ely, Nicholas Jelinek, Guptan Kaplingat, Timothy Larson, Tunde Ogungbesan, Julia Quehl

Interns

Aaron Boaitey, Drew Garner, Kaitlyn Schmaltz

Audit Accomplishments

	Complete	Moved to 2020	Ongoing	Grand Total
Audits	10	5	3	18
Consultations	4	1	2	7
External Audits	6	1	0	7
Grand Total	20	7	5	32

Overall, The Audit Department completed 20 out of 32 total projects on the 2019 Audit Plan (62%). Five projects including work related fare enforcement, bus operators, Southwest Light Rail construction and technology assets are on-going and will be presented in 2020. An unexpected FTA audit and involvement in about a dozen investigations affected our ability to complete the Audit Plan as expected.

Peer Review

In 2019, the Audit Department completed a peer review in accordance with IIA standards. The IIA requires that external assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization. We chose to execute a self-assessment with independent validation for our methodology. Audit staff completed a full self-assessment using an external assessment manual, and those results were reviewed and validated by two audit staff from HealthPartners. The assessment showed that our department generally conforms with the vast majority of IIA standards. We also identified actions we could take to improve in areas where we partially conformed. This analysis and our on-going self-assessments led to the development of an audit process improvement work plan.

Audit Process Improvement

As noted above, Audit has developed a plan to improve a work processes to become more effective and efficient with our limited resources. Among accomplishments in 2019, we developed an audit checklist for staff to better comply with IIA guidance; continued to improve and better document audit risk assessment and audit planning process; improved our internal documentation of approved contractor overhead rates; and develop new or improved work instructions. We plan to continue to refine these and other tools in 2020. On-going initiatives include the development of a new and improved audit database, a review of our product line, improvements to our workflow for handing complaints and investigations and updates to policies and procedures in our area of responsibility.

Key Accomplishments

Purchasing Cards

Made several recommendations to improve internal control and oversight over the use of purchasing cards by Council Staff.

Liquid Waste Haulers

Recommended improvements to procedures to help improve accountability of Council oversight of dumping activities at Council Facilities.

FTA Compliance

Made a series of recommendations to a half dozen transportation providers to help ensure compliance with applicable FTA regulations requirements including vehicle maintenance, drug and alcohol testing, and equal employment opportunity. In addition, Audit coordinated efforts to respond to an FTA Financial Management Oversight Review.

Key Accomplishments Cont.

Cybersecurity

On-going consultation including coordinating a post-incident investigation, providing insight and oversight of Cyber-related controls, monitoring of technology governance activities and consultation and advice related to improvement of the Council's Cybersecurity Program.

Consulting Activity

Offered advice on a wide range of topics including contract and grant management, prevailing wage requirements, and subrecipient internal controls.

Special Projects

Cyber Threats in the Public Sector

Coordinated a training with the US Attorney's Office for about 100 Council and other public sector employees. Cyber security experts from the United States Attorney's Office, the FBI, the Department of Homeland Security and the private sector discussed the current threat landscape for the public sector, data security, costs, preventive measures, and how to work with law enforcement.

