

DATE: November 17, 2020
TO: Metropolitan Council Audit Committee
FROM: Matt LaTour, Director, Program Evaluation and Audit
SUBJECT: Departmental Performance in 2020

Department Update

- I am currently hiring for an Audit Manager. This position was left vacant after I was promoted into the Director position in 2018. I chose to wait to fill this position so I could do some departmental restructuring and think about the role that I wanted for the Manager. We've been interviewing both internal and external candidates the last few weeks and expect to make an announcement soon. Once appointed, I will update our organizational chart and further discuss the roles and responsibilities of the new manager at our next meeting.
- Akua Asare, Auditor in Charge, has left the Council to take a similar position with the City of Denver Internal Audit Department. We are grateful to Akua for her contributions and wish her well in her new position.

COVID-19 Update

- The Audit team continues with full time telework and will continue to do so at least into the spring. The Council has announced that teleworking employees should plan on continuing to do so at least through June 2021. In general, telework is working well and our work continues to progress. Our whole team was equipped with laptops in the last few years, so we were able to transition quickly and efficiently. We've been meeting virtually through Microsoft Teams and WebEx with each other and our other audit stakeholders. We miss each other, and certainly some aspects of the work are more challenging and slower; however, the work continues.
- The Met Council continues to implement an Incident Command Structure (ICS) that complies with the National Incident Management System. I continue to play the role of Planning Chief for 390 Robert St./Regional Administration/Community Development. I was asked to be in this role in the generic ICS planning about a year ago and was activated in March. The Planning Chiefs (there are five primary and five alternates) in this incident is to track and help resolve issues related to the incident. We are also continuing to work on strategies to ensure that eventually we can safely transition back to the office. In general, I don't think my role is generating any concerns with IIA Standard 1112 – Chief Audit Executive Roles Beyond Internal Auditing, except with regard to auditing COOP planning or completing after action reviews of our pandemic response from an independent perspective. Safeguards or alternative (3rd Party) direction would likely be needed if there is a need for an independent view of these topics.

External Audits

- IT Risk Assessment
 - Partially meets new FTA requirement for Certs and Assurances to “established a process to develop, maintain, and execute a written plan for identifying and reducing cybersecurity risks”.
 - Assessed and identified information security risks to the confidentiality, integrity, and availability of the systems and data at Metropolitan Council.
 - Council is developing an action plan to respond to recommendations related to our Cyber Security Program, Asset Management and Overall Strategy.
- Claims Review
 - Compare the Council’s claim adjusting operations, and claim management process, as they currently exist to industry accepted standards/best practices.
 - Identified need for better allocation and integration between Risk Management and Council Business Operations, better use of KPIs, and suggestions for improvements to process.
- Office State Safety Oversight (OSSO) Triennial Review
 - Assess Metro Transit’s compliance with the OSSO Procedures and Standards, the Metro Transit Light Rail Transit Agency Safety Plan (ASP), and other applicable local, state, and federal requirements.
 - On-site complete, OSSO working on final draft.

Audit Plan Completion

- **Completed Projects (6)** – Fare Compliance on Proof-of-Payment Transit Systems; Southwest Light Rail - Quality Management Services Contract; Emergency Purchasing; Payroll; Transportation Subrecipient Monitoring; Bus and Rail Operator Onboarding and Retention.
- **On-going Activity (5)** – Southwest Light Rail - Civil Contract; Technology Asset Management; Technology Governance; Electric Bus Procurement; Parks Funding
- **Carry Forward (6)** – Industrial Pretreatment Incentive Program (IPIP); Help Desk User administration; Police Body Worn Cameras; Procurement Process Improvement; Clean Water Action Fund Compliance; Contract Administration.
- **Delete (2)** – Rail Operations – On Time Performance, Fareboxes.

Other Activities

- **EthicsPoint** – Finalized roll out of EthicsPoint Reporting tool which allows for employee reporting of fraud, waste and abuse and other complaints related to violations of Council Workplace Policies and Procedures. Julia Quehl was integral to the implementation of this tool, working with the vendor during configuration, training Council Case managers; and completing briefings with Council Members, Executives, senior managers and staff from across the organizations. Julia and Tami Rein will continue to support the system administratively.
- **Audit Database** – We worked with IS to build a database of audit projects that will help us track and report on recommendation status and track the status of audit projects. We recently completed the handoff of the database from the IS Test Environment to a live version. Tami Rein is working on updating the database with our current, and recently completed audit projects. I anticipate working in the next few months to develop reports that will allow us to convey to the Audit Committee and senior leadership.
- **Audit Department** – We continue to work on updates to the audit manual, new templates and work instructions for the department. In addition, we began work on development of an Internal Audit Strategic plan but did not get to completion. As time permits, we will continue to work on these tools and work toward continuous improvement of the internal audit function at the Council.