

# Metropolitan Council Audit Committee Annual Report 2019



## 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)



## AUDIT OVERSIGHT RENEWAL

2019 was a benchmark year for Auditing at the Council. A new Council was sworn in starting in March of 2019, as a result, four new Council Members were selected by Chair Slawik to the Audit Committee including Chair Judy Johnson, Vice Chair Chai Lee, Chris Ferguson and Susan Vento. Chair Johnson then led an effort to select 4 members of the community. The Committee considered more than 20 applications and based on a review and interviews selected Amy Jorgenson from Minnesota Management and Budget; Andra Roethler, Audit Director at Hennepin County; Quinn Gaalswyk, Audit Manager at the University of Minnesota; and Gracie George, Auditor at US Bank. The new committee convened for the first time in late June, and as one of their first accomplishments, adopted a new and updated version of the Audit Department Charter.

## **WHO WE ARE:**

### **Audit Director**

Chief Audit Executive – Matt LaTour, MPP, CIA

Matt holds a BA from the University of St. Thomas, and an MPP from the University of Minnesota. He is a Certified Internal Auditor with 20 years of professional experience, including 15 years of audit experience. Matt started his audit career with Government Accountability Office (GAO) in Washington, DC.



### **Auditors-in-Charge**

#### **Akua Asare**

Akua holds a BA from the University of Wisconsin – Milwaukee in Global Studies and a minor in Asian studies, an MPP from Humphrey School of Public Affairs with a focus on Social Policy and a minor in Program Evaluation. She has 6 years of professional experience, including 5 years of audit experience. Prior to her career with Metropolitan Council, Akua worked at Ramsey County and University of Minnesota.

#### **Kevin Ely**

Kevin holds a BA in Political Science from the University of Minnesota, Morris, and an MPP in Advanced Policy Analysis with a Minor in Program Evaluation. He is CISA Certified. He has 16 years of professional experience, including 7 years of audit experience. Prior to Kevin's career with Metropolitan Council, he worked at Wells Fargo Home Mortgage, Normandale Community College, Hamline University and the University of Minnesota.

#### **Guptan Kaplingat**

Guptan holds a BA in Accounting and Computer Science from the University of St. Thomas. He has 15+ years of professional experience, including 13+ years of audit experience. Guptan is an Auditor in Program Evaluation and Audit. Prior to his career at Metropolitan Council, Guptan worked at Minnesota Department of Transportation (MnDOT).

#### **Julia Quehl**

Julia holds a BBA in Finance from the University of Minnesota-Duluth, and an MPP from the Humphrey School of Public Affairs. She has 13 years of professional experience, including 5 years of audit experience. Julia has worked at Alight, Peace Corps, and Ameriprise Financial. Julia started her career with Metropolitan Council in 2016 and was an intern with the Council while in graduate school.

### **Auditors II**

#### **Timothy Larson**

Timothy holds an AAS in Electronics, and a BS in Applied Management & Business. He is ASQ Certified as a Quality Auditor and has a Six Sigma Green Belt. Tim has 15 years of professional

experience, including 3 years of audit experience. Tim began working at Metro Transit in 2017 and is currently an Auditor in Program Evaluation and Audit. Prior to his career at Metropolitan Council, Timothy worked at KEB America.

### **Tunde Ogungbesan**

Tunde holds a BSc, a BBA, and a MA from the University of Minnesota. He has 12+ years of professional experience, including 4+ years of audit experience. Tunde joined Metropolitan Council, Program Evaluation and Audit as an Auditor in 2019. He previously worked at Minnesota Department of Revenue and Wells Fargo Home Mortgage.

### **Nicholas Jelinek**

Nicholas holds an MPP from the School of Public Affairs and a BA in Political Science from the University of Minnesota. He has 6+ years of professional experience, including 3 years of audit experience. Nicholas began working at the Council in 2017 when he accepted an intern position in Program Evaluation and Audit and is currently an Auditor. Prior to his career with Metropolitan Council, he worked at Carver County, Office of Senator Tomassoni Akzo Nobel.

## **Interns**

### **Aaron Boaitay**

Aaron is an Audit intern at the Metropolitan Council, Program Evaluation and Audit. Previously, Aaron served as an Accounts Payable Associate at the State Insurance Agency in Accra, Ghana. He holds a Bachelor's in Finance from the University of Ghana and is currently a Master of Public Administration (MPA) candidate at the Minnesota State University, Mankato.

### **Drew Garner**

Drew is an Audit intern at the Metropolitan Council, Program Evaluation and Audit. He is a second-year master student at the Humphrey School of Public Affairs. Previously, he lived in New York and worked in news and television production.

### **Kaitlyn Schmaltz**

Kaitlyn earned her BA in Political Science from Iowa State University in December 2016 and is pursuing a Master of Public Policy degree from the Humphrey School of Public Affairs, graduating in May 2020. She has previously worked for the Minnesota House of Representatives Research Department, AmeriCorps, and the Human Rights Campaign.

# AUDIT ACCOMPLISHMENTS 2019

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

Overall, The Audit Department completed 20 our 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 handling 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.

## 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.

## LOOKING AHEAD

### Highlights for 2020 Audit Plan

- Fare Enforcement
- Southwest Light Rail Oversight
- Technology Asset Inventory
- Payroll — Timekeeping
- Non-Standard Agreements



### 2020 Special Projects

- Development of Internal Audit Strategic Plan
- Deployment of EthicsPoint Solution Council-wide
- Preparing for 2021 FTA Triennial Review