

UTA Audit Committee Meeting

June 10, 2019



Call to Order and Opening Remarks



Safety First Minute



**You don't have eyes on the back of your head,
be aware of your surroundings.**



UTA 
SAFETY & SECURITY

June 2019



Consent Agenda

- a. Approval of April 29, 2019 Audit Committee Meeting Minutes
- b. Approval of Audit Committee Charter
- c. Approval of Internal Audit Charter
- d. Approval of Peer Review Memorandum of Understanding (UDOT)



Recommended Action (by acclamation)

Motion to approve



2018 Comprehensive Annual Financial Report (CAFR) Presentation



Recommended Action (by acclamation)

Motion to accept



Internal Audit Update



2019 Internal Audit Plan Status

Audit	Timing	Executive	Status
State of Good Repair	Q1	COO	Reporting stage
Budget Management	Q1	CFO	Reporting stage
Cash Management	Q2	CFO	Reporting stage
Maintenance of Way (Infrastructure)	Q2	COO	Fieldwork stage
Data Access & Security	Q2	Interim Executive Director	On schedule*
Payroll	Q3	CFO	On schedule*
Grants Management	Q3	COO	On schedule*
Accounts Payable	Q4	CFO	On schedule*
Maintenance of Way (Systems)	Q4	COO	On schedule [≈]

* Audit is on schedule to be performed as planned

[≈] Timing of preliminary assessment dependent on progress with restructuring

Audit Recommendations Compliance - Audits

Audit	Findings			Planned action date
	Total Findings	Findings addressed	Findings in progress	
Family Medical Leave Act	4	4	0	-
Business Continuity/Disaster Recovery	10	10	0	-
Data Centers	5	5	0	-
Sales Tax Collections & Reporting	1	1	0	-
Davis-Bacon Compliance	1	1	0	-
Grants Management	6	6	0	-
Procurement	19	19	0	-

Audit Recommendations Compliance - Audits

Audit	Findings			Planned action date
	Total Findings	Findings addressed	Findings in progress	
Transit Oriented Development	15	15	0	-
IT General Controls	14	14	0	-
Purchase Card Compliance	15	15	0	-
Operating & Ridership Reporting	8	7	1	Q4, 2019
Treasury Management	6	6	0	-
Inventory Management	8	4	4	Q3, 2019
Vanpool Operations	14	4	10	Q4, 2019
National Transit Database	5	2	3	Q4, 2019
Total	131	113	18	

Audit Recommendations Compliance - Assessments

Audit	Findings			Planned action date
	Total Findings	Findings addressed	Findings in progress	
Accounts Payable	8	1	7	Q4, 2019
Cash Management	8	8	0	-
Grants Management	7	6	1	Q2, 2019
Payroll	7	7	0	-
Total	30	22	8	

Internal Audit Report Review



AUDIT REPORTS AND PRELIMINARY ASSESSMENT

- National Transit Database Audit (R-18-09)
- Treasury Management Audit (R-18-05)
- Accounts Payable Preliminary Assessment (R-18-06)

National Transit Database (NTD) Report



National Transit Database Audit

- Preliminary assessment: 01/01/2016 to 12/31/2016
- Audit: 10/01/2017 – 9/30/2018

Audit Scope	
<u>Included</u>	<u>Excluded</u>
<ul style="list-style-type: none">• Independent reviews of source and accumulation data	<ul style="list-style-type: none">• Underlying accuracy of NTD data, including how the data is gathered, defined, and reported at the operational level
<ul style="list-style-type: none">• Passenger miles traveled (PMT) sampling	<ul style="list-style-type: none">• Aspects of the NTD process not addressed in the 2015 Independent Auditor Statement findings
<ul style="list-style-type: none">• PMT reporting	

National Transit Database Audit

- Governance
- Accuracy of National Transit Database Data
- Review of Data and Documentation
- Timely Reporting of Vanpool Data
- Close-out Period

Treasury Management Report



Treasury Management Audit

- Preliminary assessment: 05/01/2016 to 04/30/2017
- Audit: 01/01/2018 – 5/30/2018

Audit Scope	
<u>Included</u>	<u>Excluded</u>
• Governance	• Pension
• Bank account administration	• Cash collection
• Bonds	• Check run process
• Leases	• General accounting processes
• Investments	• Petty cash
• ACH and wire payments	
• Contracts and other agreements	

Treasury Management Audit

- Policies and Procedures
- Bank Accounts
- Bonds
- Leases
- Investments
- Contracts and Agreements

Accounts Payable Preliminary Report



Accounts Payable Preliminary Assessment

- Preliminary assessment: 07/01/2017 – 6/30/2018
- Audit Scheduled: 9/30/2019 – 10/31/2019

Audit Scope

<u>Included</u>	<u>Excluded</u>
• Governance	• Lease and bond payments
• Invoice approvals	• P-card payments
• Payment processing	• Real estate payments
• Payment approvals	• Bank administration & bank reconciliations
• Duplicate payments	• Procurement process
• Vendor management	
• Employee reimbursements	
• Credits and refunds	
• Cash receipting & depositing	

Accounts Payable Preliminary Assessment

- Governance
- General Invoice Processing
- Three Way Match Invoices
- Two Way Match Invoices
- Standard Invoices
- Vendor Payments
- Employee Reimbursement
- Vendor Management

Other Business

Next Meeting: August 12, 2019 at 3:00 p.m.



Adjourn

