

## Priority Projects

### Continuity of Operation Plan (COOP) - Bus

Office: Operations

Objective: To evaluate the adequacy of the Bus Operations' COOP and Standard Operating Procedures to support Bus Operations' mission essential functions in emergency situations.

Anticipated Value: Independent assurance about bus operations emergency preparedness & response.

### Metro Center Steet Project (MCP)

Office: Program Management

Objective: To evaluate the overall project management processes for the Metro Center Street Project (MCP) for sufficiency and effectiveness.

Anticipated Value: Independent assurance about MCP project management controls and effectiveness.

### Westside Purple Line Extension (WPLE) 1

Office: Program Management

Objective: To evaluate the state of post-construction final-year processes and planning (acceptance, testing, certification, training, activation) for the WPLE 1 transit project prior to start of revenue operations.

Anticipated Value: Added expertise to identify any potential unaddressed gaps in readiness about key compliance controls for the area

### Spare Parts Inventory

Offices: Operations, Strategic Financial Management

Objective: To assess Metro's identification of key spare parts for Rail and Bus Operations, including evaluating Metro's reliance on third parties and identification of alternatives in the event of supply-chain disruptions. The audit will also review Metro's determination of minimum on-hand and reorder quantities.

Anticipated Value: Key inventory management controls & processes will be tested for effectiveness

**Third Party Risk Management – Outsourced Service Providers**

Office: Chief People Office

Objective: To assess Metro's third-party information security risk management policy and program.

Anticipated Value: Insight about the agency's efforts to mitigate 3<sup>rd</sup> party information security risk

**Construction Inflation Risk**

Offices: Program Management, Strategic Financial Management

Objective: To review Metro's process for projecting and managing inflation risk for construction projects.

Anticipated Value: Independent and objective feedback about the agency's risk response to a critical area

**Business Interruption Fund (BIF)**

Offices: Chief of Staff

Objective: This audit will verify Pacific Coast Regional Small Business Development Corporation's compliance with the Los Angeles County Metropolitan Transportation Authority's BIF Administrative Guidelines and Fund Disbursement Procedures as listed in the notes to the BIF Pilot Program for the period July 1, 2021 to June 30, 2022.

Anticipated Value: Independent assurance about compliance with BIF reporting requirements

## Discretionary Projects

### Operations and Maintenance of Compressed Natural Gas (CNG) Divisions

Office: Operations

Objective: To assess oversight and monitoring activities over Contract No. OP749030003367 with Clean Energy, for Operation and Maintenance of CNG fueling stations at Divisions 1, 3, 5, 7, 10 & 18.

Anticipated Value: Independent assurance about contract management activity over this operational area

### Division 20 Portal Widening Project

Office: Program Management

Objective: To evaluate the overall project management processes for the Division 20 Portal Widening project.

Anticipated Value: Independent assurance about project management controls and effectiveness

### Monitoring of Environmental Contracts

Office: Program Management

Objective: To evaluate management oversight of Metro's environmental contracts for consistency, quality of services, risk management practices, and internal controls.

Anticipated Value: Independent assurance about contract management over this key area

### Contract Price Structures for Professional Services

Office: Strategic Financial Management

Objective: To assess the process performed by contract administrators and project managers for firm fixed price professional service contracts, payment structures and performance milestones.

Anticipated Value: Assessment of the process used to determine the use of firm fixed price professional service contracts

**Discretionary Projects**

**Information Technology Governance**

Office: Chief People Office

Objective: To assess Metro's IT Governance Framework which would include examination of the strategic alignment between IT and business objectives, performance management, delivering value, and risk management.

Anticipated Value: Independent assurance about the agency's governance framework after reorganization

<b>Carry Over Projects</b>
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<b>Continuity of Operations Plan - Rail</b>
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Office:	Operations
Objective:	This audit will evaluate the adequacy of the Bus Operations' COOP and Standard Operating Procedures to support Bus Operations' mission essential functions in emergency situations.
Anticipated Value:	Independent assurance about rail operations emergency preparedness & response

<b>Micro Transit</b>
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Office:	Operations
Objective:	The general objective and scope of the audit is to assess Shared Mobility's efforts in managing the Micro Transit program, including review of monitoring processes and review of selected Micro Transit Pilot Project Contract documentation.
Anticipated Value:	Insight about contract management effectiveness and contractor compliance

### Carry Over Projects

#### Operations Central Instruction and Development Training

Office: Operations

Objective: The general objective and scope of the audit will be to assess the training records of new Bus Operators and other Operations employees for accuracy, completeness, and compliance of with applicable requirements.

Anticipated Value: Insight about the reliability and completeness of operations staff training records

#### Central Maintenance Shops Manufacturing Process

Office: Operations

Objective: The objective of this engagement will be to review primarily the CMS manufacturing request process. The process will be assessed for reasonableness, efficiency (time and cost), completeness and safety considerations.

Anticipated Value: Insight about the efficiency of an important internal process

#### Cybersecurity Follow-Up

Office: Chief People Office

Objective: Verify if corrective actions have been taken by ITS on the prior external review recommendations provided for this area.

Anticipated Value: The results of remedial steps taken by ITS to address cybersecurity gap will be reported

#### Real Estate Management System

Office: Planning and Development

Objective: This project will be a collaboration with the Real Estate Department to determine if prior audit findings have been considered as part of the upcoming implementation of the new Real Estate Management System.

Anticipated Value: Confirmation that prior MAS findings have been addressed as part of a new system

<b>Contract, Financial and Compliance Annual Audits</b>
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<b>Pre-Award Audits</b>
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Office:	Strategic Financial Management
Objective:	Pre-award audits for procurements and modifications
Anticipated Value:	Independent verification of condition of contractor accounting system prior to award

<b>Incurred Cost Grant Audits</b>
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Office:	Planning and Development / Program Management
Objective:	Verify that costs are reasonable, allowable and allocable on cost reimbursable contracts for contractors
Anticipated Value:	Confirmation that billed contract costs are appropriate and supported

<b>Financial and Compliance External Audits</b>
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Offices:	Agencywide
Objective:	Complete legally mandated financial and compliance audits
Anticipated Value:	Confirmation of third-party financial condition and compliance