*MANAGEMENT AUDIT SERVICES
QUARTERLY REPORT TO THE BOARD*

**Los Angeles County Metropolitan
Transportation Authority**

*Third Quarter
FY 2018*

Metro

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EXECUTIVE SUMMARY

Summary of Audit Activity

During the third quarter of FY 2018, 134 projects were completed. These include:

Internal Audits
- Performance Audit of the Cash Counting Process;
- Follow-Up Performance Audit of 511 Traveler Information System

Pre-Award Audits
- Independent Auditor's Report on Agreed-Upon Procedures for the Cost Proposal for the Metro Green Line Track Circuits & Train on Wayside Communication Upgrade;

Incurred Cost Audits
- Independent Auditor's Report on Agreed-Upon Procedures of Ramos Consulting Services, Inc.'s interim incurred cost for the years 2014 and 2015 for Regional Connector Transit Corridor Project;
- Independent Auditor's Report on Agreed-Upon Procedures for the Close-out Review of City of Inglewood's Florence Avenue Regional Transportation Corridor Improvement Project;
- Independent Auditor's Report on Agreed-Upon Procedures for the Close-out Review of City of Norwalk's Firestone Boulevard Widening over San Gabriel River Project;
- Independent Auditor's Report on Agreed-Upon Procedures for the Close-out Review of City of Malibu's PCH Roadway and Bike Route Improvements from Busch Drive to W.C.L. Project;
- Independent Auditor's Report on Agreed-Upon Procedures for the Close-out Review of City of Pasadena's Zero Emission Vehicle Charging Stations Project;

Other Audits
- 126 other (Consolidated Audits) audits issued by external CPA firms.

The completed external audits are discussed on page 3. Discussions of the internal audits begin on page 4. Discussions of Other audits issued by external CPA firms begin on page 5.

EXECUTIVE SUMMARY

Sixty-eight projects were in process as of March 31, 2018; these included 14 internal audits and 54 incurred cost audits.

The following chart identifies the functional areas where Management Audit focused audit staff time and efforts during third quarter FY 2018:
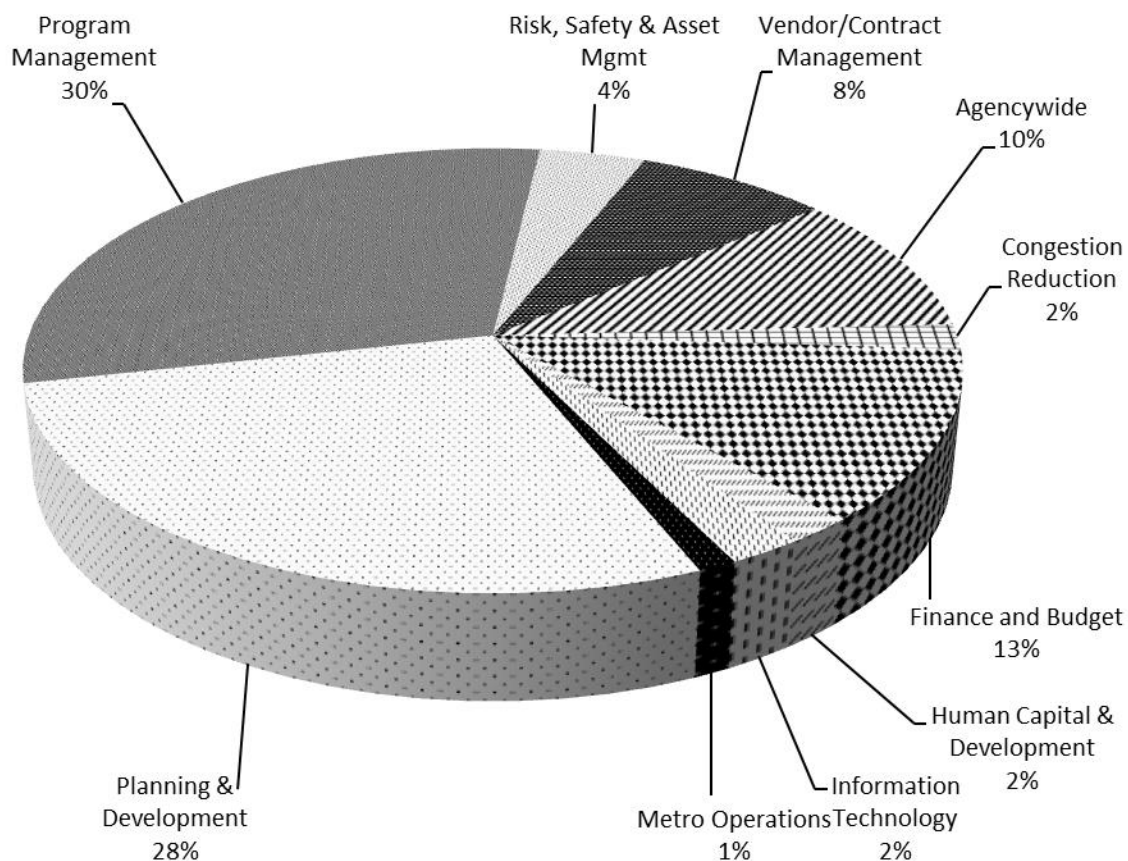
Audit follow-up:
- 14 recommendations were closed during the third quarter. At the end of the quarter there were 28 open audit recommendations.
- In addition, we closed two OIG recommendations. At the end of the quarter there were 44* open audit recommendations.

*This total does not include recommendations included in the Audit of Westside Purple Line Extension Section 2- Modification No. 52, Review of Metro Safety Culture and Rail Operational Safety, and Review of Metro Rail Services Disruptions, as the management response and/or estimated completion dates are still pending. However, Operations has hired consultants to assist in addressing the most critical elements of the Review of Metro Safety Culture and Rail Operational Safety.

EXTERNAL AUDITS

Contract Pre-Award Audit

Contract Pre-Award Audit provides support to the Vendor/Contract Management Department for a wide range of large-dollar procurements and projects. This support is provided throughout the procurement cycle in the form of pre-award, interim, change order, and closeout audits, as well as assistance with contract negotiations.

During third quarter FY 2018, one audit was completed, reviewing a net value of $17.5 million. Auditors questioned $374 thousand or 2% of the proposed costs. The audit supported procurements in the following area:
 ➢ Metro Green Line Track and Wayside Communications Upgrades

Details on Contract Pre-Award Audits completed during third quarter FY 2018 are in Appendix A.

Incurred Cost Audit

Incurred Cost Audit conducts audits for Planning and Development's Call-for-Projects program, Program Management's highway projects, federally funded transportation programs, and various other transportation related projects, including Caltrans projects. The purpose of the audits is to ensure that funds are spent in accordance with the terms of the grants/contracts and federal cost principles.

Incurred Cost Audit completed five audits during third quarter FY 2018. We reviewed $19 million of funds and identified $924 thousand or 5% of unused funds that may be reprogrammed. Fifty-four incurred cost audits were in process as of March 31, 2018.

Details on Incurred Cost Audits completed during third quarter FY 2018 are in Appendix B.

INTERNAL AUDITS

For the third quarter of FY 2018, two internal audits were completed. Fourteen internal audits were in process as of March 31, 2018. The internal audits in process are listed in Appendix C.

The following internal audits were issued in the third quarter FY 2018. The completed reports are listed in order of the magnitude of risks that their findings represent to the agency.

Performance Audit of the Cash Counting Process

The audit objective was to evaluate the adequacy of internal controls over the cash counting process and verify whether the corrective actions from prior audit of Cash Collection and Counting Process (09-REV-F01) were implemented.

We found that the internal controls were adequate and that recommendations from prior audit were implemented. In addition, we identified two areas for process improvement opportunities.

Follow-Up Performance Audit of 511 Traveler Information System

The audit objective was to verify the implementation of agreed upon corrective actions from the prior audit of the 511 Traveler Information System, Report No. 12-PLN-K01 issued on June 22, 2012. There were four findings in the previous MAS Report No. 12-PLN-K01 pertaining to the following: 1) Underutilization of the 511 System, 2) Project Management Oversight, 3) Inadequate Information Technology General Controls, and 4) Customer Feedback.

We found that all recommendations from the prior audit report were implemented. The corrective actions implemented by management improved the monitoring of the utilization of the 511 System, project management of the contract terms, monitoring of information technology general controls, and the quality of customer feedback. There are no findings identified in this audit.

OTHER AUDITS

126 Other (Consolidated Audit – Issued various dates) audits completed during Third Quarter FY18 by external CPA firms:

These financial and compliance audits are needed to ensure that the recipients of subsidies included in the Consolidated Audit are adhering to the statutes of each applicable funding source and that operations data used to allocate funds is fair and in accordance with Federal Transportation Administration guidelines. For efficiency and effectiveness, we contracted with two firms (Simpson & Simpson and Vasquez & Company, LLP) to conduct the financial and compliance audits of the following programs for the year ended June 30, 2017:

- 103 reports - Proposition A Local Return Fund, Proposition A Discretionary Incentive Grants, Proposition C Local Return Fund, Measure R Local Return Fund, the Transportation Development Act Article 3 and Article 8 Funds, and EZ Transit Pass Programs for 88 cities, County of Los Angeles, Antelope Valley Transit Authority and Pomona Valley Transportation Authority
- 6 reports - Transit System Funds and Measure R 20% Fund for Cities of Commerce, Redondo Beach and Torrance
- 5 reports - Fare Subsidies Programs with non-profit entities.
- 1 report - Access Services
- 11 reports - LADOT Operating Data (Proposition A Incentive Programs)

The respective auditors will follow up on the findings identified in these audits in the following years' audits.

- Measure R Independent Taxpayers Oversight Committee Workshop:
  The voter approved Measure R Ordinance mandates that an annual audit be conducted after the end of the fiscal year to determine compliance with the provisions of the Ordinance related to the net revenues allocated to the Local Return Subfund during the fiscal year. As required by law, Simpson & Simpson and Vasquez presented their audit report regarding Measure R sales tax revenues used by the 87 cities (excluding the City of Vernon which opted out to receive Measure R funds) as well as the County of Los Angeles to the Measure R Oversight Committee on March 13, 2018.

AUDIT SUPPORT SERVICES

Audit Follow-Up and Resolution

During the third quarter, 14 recommendations were completed and closed. At the end of the quarter there were 28 outstanding audit recommendations. The table below summarizes the third quarter activity.

Summary of MAS and External Audit Recommendations
As of March 31, 2018

Executive Area	Closed	Late	Extended	Not Yet Due/Under Review	Total Open
Program Management					
Vendor Contract Management					
Finance and Budget					
Information Technology	1		1		1
Metro Operations	7		8		8
Planning and Development	2		2		2
Communications	2		5		5
Systems Security & Law Enforcement					
Human Capital & Development	2			12	12
Totals	14	0	16	12	28

In addition to the above MAS and external audit recommendations, we closed two recommendations for the Office of the Inspector General (OIG).   At the end of the quarter there were 44* outstanding OIG audit recommendations.

*This total does not include recommendations included in the Audit of Westside Purple Line Extension Section 2- Modification No. 52, Review of Metro Safety Culture and Rail Operational Safety, and Review of Metro Rail Services Disruptions, as the management response and/or estimated completion dates are still pending. However, Operations has hired consultants to assist in addressing the most critical elements of the Review of Metro Safety Culture and Rail Operational Safety.

No.	Area	Audit Number & Type	Contractor	Frequency	Requirement	Date Completed
**Contract Pre-Award Audit FY 2018 - Audits Completed During Third Quarter**
1	Operations	18-OPS-A02 - Attestation Agreed-upon Procedures	Ansaldo STS USA, Inc.	1st Time	VCM Request	2/2018

No.	Area	Audit Number & Type	Contractor	Frequency	Requirement	Date Completed
**Incurred Cost Audit FY 2018 - Audits Completed During Third Quarter**					
1	Planning & Development	17-PLN-A29 - Closeout	City of Inglewood	Once	Per Project Manager's request and FA. P00F3130 terms	1/2018
2	Program Management	17-CON-A39 - Attestation Agreed-upon Procedures	Ramos Consulting Services, Inc.	2nd Time	VCM Policy	3/2018
3	Planning & Development	17-PLN-A30 - Closeout	City of Norwalk	Once	Per Project Manager's request and MOU.P00F1219 terms	3/2018
4	Program Management	18-HWY-A03 - Closeout	City of Malibu	Once	Per Project Manager's request and MOU.MR311.30 terms	3/2018
5	Planning & Development	18-PLN-A14 - Closeout	City of Pasadena	Once	Per Project Manager's request and MOU.P00F3709 terms	3/2018

			Internal Audit FY 2018 - In Process as of March 31, 2018			
No	Area	Audit Number & Title	Description	Frequency	Requirement	Estimated Date of Completion
1	Information & Technology Services	Performance Audit of Information Technology Project Management	Evaluate the efficiency and effectiveness of the Information Technology Services (ITS) Department's Project Management Process. A sample from all information technology systems acquired, upgraded, developed and/or implemented during the period from July 1, 2013 through June 30, 2016 will be selected to assess the efficiency and effectiveness of the Project Management Process, including the projects' success from the end user perspective.	First Time	Per FY17 Audit Plan	4/2018
2	Metro Operations	17-OPS-P07 - Performance Audit of Track Allocation	Determine the effectiveness of the track allocation process.	First Time	Per FY16 Audit Plan	4/2018
3	Program Management	16-CON-P04 - Performance Audit of Construction Quality Assurance	Evaluate the efficiency and effectiveness of the agency's Construction Quality Assurance Program over minor construction projects (less than $100 million) and to follow-up on the implementation of recommendations from the prior Performance Audit of Construction Quality Assurance, No. 11-CON-K02.	2nd Time; Last Audit 3 years ago	Per FY16 Audit Plan	5/2018
4	Finance & Budget	17-OMB-P02 - Performance Audit of Farebox Revenue Process	Evaluate the effectiveness of internal controls over Farebox Revenue Process.	First Time	Per FY17 Audit Plan	5/2018
5	Vendor / Contract Management	16-VCM- P01 - Performance Audit of P-Card	Evaluate compliance to P-card purchase requirements.	3rd Time; Last audits 4 and 8 years ago	Per FY16 Audit Plan	5/2018
6	Vendor / Contract Management	17-VCM-P02 - Performance Audit of Change Order Process	To determine the extent of Vendor/Contract Management's compliance with policies and procedures. To determine Vendor/Contract Management's adequacy of the justification documentation for approving contract modifications. To determine the extent of key information utilization for contract modifications. Identify best practices and present to Vendor/Contract Management for consideration.	First Time	Per FY17 Audit Plan	6/2018
7	Vendor / Contract Management	17-VCM-P04 - Performance Audit of Pre-Award Process	To determine Vendor/Contract Management's adequacy of the justification documentation for the vendor contract selection method (e.g. best value, lowest bid). To determine the extent of key information utilization to select vendors for contract awards.	First Time	Per FY17 Audit Plan	6/2018
8	Metro Operations	16-OPS-P03 - Performance Audit of Accident Prevention Program	Determine the efficiency and effectiveness of Operations' Accident Prevention Practices.	First Time	Per FY16 Audit Plan	6/2018

No	Area	Audit Number & Title	Description	Frequency	Requirement	Estimated Date of Completion
			Internal Audit FY 2018 - In Process as of March 31, 2018			
9	Agency-Wide	17-AGW-P01 - Performance Audit of Consultant Hours	Evaluate efficiency and effectiveness of the use of consultants. Phase 1 – This audit will report on the agency-wide use of consultants such as the number of consultants by business unit, nature of work conducted by the consultants, consultant costs and other statistical information during the review period (FY14, FY15 and FY16).	First Time	Per FY17 Audit Plan	6/2018
10	Employee & Labor Relations / Finance & Budget	17-OMB-P04 - Performance Audit of Position Reconciliation Process	To evaluate the adequacy of the Position Reconciliation Process between the cost centers, Human Resources and Office of Management and Budget.	2nd Time; Last Audit 6 years ago	Per FY17 Audit Plan	6/2018
11	Risk Management	18-RSK-P01 - Performance Audit of Business Continuity Plan	Evaluate the adequacy of the Continuity of Operations Plan (COOP) project, and report on progress to date on the COOP project as of March 31, 2018.	2nd Time; Last Audit 8 years ago	Per FY18 Audit Plan	6/2018
12	Vendor / Contract Management	18-VCM-P01 - Annual Audit of Business Interuption Fund	Evaluate Business Interruption Fund Program	3rd Time; Last Audit a years ago	Per FY18 Audit Plan	5/2018
13	Vendor / Contract Management	18-VCM-P02 - Performance Audit of the Tracking of SBE and DBE Goals	Evaluate the process of monitoring SBE/DBE goals achievement and reliability of the information captured and reported from this process by Diversity and Economic Opportunity Department.	1st Time	Per FY18 Audit Plan	6/2018
14	ITS and Operations	18-ITS-P01 - Performance Audit of HASTUS - Confirmation of Collective Bargaining Agreement Changes	Evaluate whether changes from the SMART Collective Bargaining Agreement effective July 1, 2017 were effectively implemented in the HASTUS System, and to assess the adequacy of the implementation plans for the pending system changes.	First Time	Per FY18 Audit Plan	6/2018

No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
				Open Audit Recommendations		
1	Operations	11-OPS-O06 - HASTUS	11	We recommend the Chief Operations Officer: Consider multi-division operator run cutting to optimize workforce distribution amongst divisions. **Update: Operations will be using the CrewOpt module for the June 2018 shakeup.**	6/30/2016	6/30/2018
2	Operations	11-OPS-O06 - HASTUS	12	We recommend the Chief Operations Officer: Adopt integrated scheduling to improve the efficiency of run cuts. **Update: Operations will be using the CrewOpt module for the June 2018 shakeup.**	6/30/2016	6/30/2018
3	Communications	16-COM-P01 - Special Fares Programs	20	We recommend the Communications Department to report the program performance periodically to the appropriate level of management to support decision making. **Update: MOU is being reviewed by internal stakeholders for suggestions.**	3/31/2017	7/31/2018
4	Communications	16-COM-P01 - Special Fares Programs	21	We recommend the Communications Department to renew the agreement with the Court to confirm mutual agreement. **Update: MOU is being reviewed by internal stakeholders for suggestions.**	3/31/2017	7/31/2018
5	Communications	16-COM-P01 - Special Fares Programs	22	We recommend the Communications Department to revisit the program purpose and guidelines/requirements to assess the current J-TAP Program performance. **Update: MOU is being reviewed by internal stakeholders for suggestions.**	3/31/2017	7/31/2018
6	Communications	16-COM-P01 - Special Fares Programs	23	We recommend the Communications Department obtain a written agreement with DCFS to confirm the mutual agreement and to retain the legal rights to enforce DCFS to meet the Program guidelines and requirements. **Update: MOU is being reviewed by internal stakeholders for suggestions.**	3/31/2017	7/31/2018
7	Communications	16-COM-P01 - Special Fares Programs	25	We recommend the Communications Department to assess the program performance periodically, and report to the appropriate level of management. **Update: MOU is being reviewed by internal stakeholders for suggestions.**	3/31/2017	7/31/2018
8	Planning & Development	14-EDD-P01 - Real Estate Property	11	We recommend that Real Estate Management complete the required inspections and document inspection records on file. **Update: Real Estate has provided Master schedule to perform required inspection. Management Audit is reviewing supporting documents for some of the inspections completed.**	6/30/2017	6/30/2018

Any findings that have not been corrected 90 days after the due date are reported as late.

No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
				Open Audit Recommendations		
9	Planning & Development	14-EDD-P01 - Real Estate Property	12	We recommend that Real Estate complete the write off process for delinquent accounts that are deemed uncollectable in accordance with the policy established for writing off uncollectable amounts. **Update: Management Audit is currently reviewing supporting documentation provided by Real Estate Management to verify that appropriate corrective action was taken.**	6/30/2017	6/30/2018
10	Operations	16-OPS-P01 - Wayside Systems - Track Maintenance	1	We recommend the Chief Operations Officer require Track management to develop an inventory of linear assets and their components that can be the basis of a PMP to accurately forecast maintenance requirements and component replacements. **Update: Currently, a software system called OpTram is in the initial stages of being developed that will have an inventory of linear assets, including Wayside track assets. This will be a short term solution for the inventory of assets as the long term plan is to replace the M3 system which should include a requirement for linear assets inventory.**	6/30/2017	6/30/2018
11	Operations	16-OPS-P01 - Wayside Systems - Track Maintenance	6	We recommend that while the long-term recommendation is being evaluated, that the Chief Operations Officer require Track management to revise inspection forms/reports to include: applicable checklists with inspection criteria for the different types of inspections; condition description, and ranking description of conditions with estimated completion for corrective actions. **Update: The M3 mobile app for the Daily Inspection form is now being tested by Track Inspectors. Verification of the inspections criteria for the different types of inspections is expected to be completed by June 30, 2018.**	6/30/2017	6/30/2018
12	Operations	16-OPS-P01 - Wayside Systems - Track Maintenance	8	We recommend that while the long-term recommendation is being evaluated, that the Chief Operations Officer require Track management to log all conditions that impact the track structure in the inspection reports, including water damage in the tunnels. **Update: The M3 mobile app for Daily Inspection form is now being tested by Track Inspectors. The determination of whether all conditions that impact the track structure are being documented and will be completed by June 30, 2018.**	06/30/207	6/30/2018

Any findings that have not been corrected 90 days after the due date are reported as late.

No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
				Open Audit Recommendations		
13	Operations	16-OPS-P01 - Wayside Systems - Track Maintenance	10	We recommend that while the long-term recommendation is being evaluated, that the Chief Operations Officer require Track management to work with other business units who are responsible to implement any corrective actions that may impact track maintenance and/or track condition. **Update: The Director of Wayside Systems informed us that Track Inspectors are communicating with Wayside Systems Facility Maintenance for any corrective actions outside of track maintenance responsibility. Additionally, a vendor was hired to perform repairs and maintenance on Metro concrete guide ways, bridges and subway tunnels.**	6/30/2017	6/30/2018
14	Operations	16-OPS-P01 - Wayside Systems - Track Maintenance	12	We recommend that the Chief Operations Officer, require Track management to provide training for track management, supervisors and/or leads that create work orders in the M3 system. **Update: The M3 mobile app for the Daily Inspection form is now being tested by Track Inspectors.**	6/30/2017	6/30/2018
15	Operations	16-OPS-P01 - Wayside Systems - Track Maintenance	13	We recommend that the Chief Operations Officer, require Track management to log all open maintenance conditions in M3, as they are identified, to produce meaningful reports. **Update: The M3 mobile app for the Daily Inspection form is now being tested by Track Inspectors.**	6/30/2017	6/30/2018
16	Information Technology Services	16-ITS-P02 - Performance Audit of IT Asset Management	2	We recommend that the ITS Department Management complete the update of the Standards Compliance and Asset Management (IT 7) Policy to clarify the roles and responsibilities of the ITS department and other cost centers in tracking and managing IT assets. The policy should include the types of IT assets that need to be maintained in IT asset inventory records. The policy revision should also include the extent of the periodic physical inventory/reconciliation based on the risk associated with the type of IT assets and the amount of investment on various types of IT assets.	10/31/2017	6/30/2018
17	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	1a	We recommend the General Services Management to develop a written policy and/or procedure manual for the Travel Program Administrator which addresses the following but not limited to: appropriate prioritization methodology to prioritize travel requests.	6/30/2018	
18	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	1b	We recommend the General Services Management to develop a written policy and/or procedure manual for the Travel Program Administrator which addresses the following but not limited to: Target turnaround time for booking completely filled Travel Authorization Forms received.	6/30/2018	

Any findings that have not been corrected 90 days after the due date are reported as late.

No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
				Open Audit Recommendations		
19	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	1c	We recommend the General Services Management to develop a written policy and/or procedure manual for the Travel Program Administrator which addresses the following but not limited to: requirement to obtain justification which is approved by the department management for late requests (submitted less than 30 days of travel date).	6/30/2018	
20	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	1d	We recommend the General Services Management to develop a written policy and/or procedure manual for the Travel Program Administrator which addresses the following but not limited to: requirement when to return incomplete travel request forms to the requestors to complete.	6/30/2018	
21	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	1e	We recommend the General Services Management to develop a written policy and/or procedure manual for the Travel Program Administrator which addresses the following but not limited to: requirement to document traveler's management approval and travel change cost records for cost increases in excess of the 20% threshold, resulting from changes made after the initial booking.	6/30/2018	
22	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	1f	We recommend the General Services Management to develop a written policy and/or procedure manual for the Travel Program Administrator which addresses the following but not limited to: guideline of acceptable nature and established threshold for allowable cost differences when accommodating traveler preferences or requests. Specify the required traveler's management approval if any, and whose responsibility it will be to pay the cost difference in excess of the allowable threshold.	6/30/2018	
23	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	3	We recommend the General Services Management to continue to collaborate with the ITS Department to implement a Travel Information Management System to automate the travel coordination, booking, supporting documentation retention, and expense reimbursement processes.	12/31/2018	
24	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	4	We recommend the General Services Management to consider providing various cost center management with a periodic summary report of all travel transactions to assist in identifying travel trends, cost saving opportunities and extent of policy exceptions.	4/30/2018	

Any findings that have not been corrected 90 days after the due date are reported as late.

Open Audit Recommendations

No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
25	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	5	We recommend the General Services Management to update the current Travel and Business Expense Policy (FIN 14) to require travelers to submit the Travel Authorization Form at least 30 days prior to the travel date. Require justification and management approval for travel request submitted less than the 30 days requirement.	6/30/2018	
26	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	6	We recommend the General Services Management to extend no show penalty provision to flights and other travel reservations to enforce the travelers to inform the Travel Office of the cancelled travel. Clarify traveler's responsibility if any, to pay for the cost of the missed flights.	6/30/2018	
27	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	8	We recommend the General Services Management to create a traveler's checklist of all required information, documentation, and approvals that should be included to the Travel Authorization Form in order to book travel. Require traveler to sign the checklist to certify completeness of documentation/information prior to submission to the Travel administrator. Consider returning incomplete Travel Authorizations to the travel requestor.	6/30/2018	
28	Human Capital & Development	18-CEO-P01 - Consulting Engagement for the Travel Booking Process	9	We recommend the General Services Management to consider evaluating staffing resource adequacy as a result of the Travel Program Administrator's increased responsibilities related to the monthly credit card reconciliations.	6/30/2019	

Any findings that have not been corrected 90 days after the due date are reported as late.

				OIG Open Audit Recommendations		
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
1	Program Management	16-AUD-01 - Capital Project Management Best Practices Study	38 Total	The 109 recommendations included in this report address findings in low bid contracting, project delivery method selection process and criteria, contract administration, obtaining necessary approvals from cities to avoid delays, etc. **Update: As of March 31, 2018, 71 of 109 recommendations have been completed.**		
2	Planning & Development	18-AUD-02 - Audit of Procurement of Subscription Services	1a	We recommend that the Chief Planning Officer follow through with plans to contact the Procurement Department regarding procuring subscription services currently provided by Digital Map Products.		
3	Planning & Development	18-AUD-02 - Audit of Procurement of Subscription Services	1b	We recommend that the Chief Planning Officer counsel the Real Estate staff not to use multiple methods of payment for a single expense.		
4	Vendor and Contract Management	18-AUD-02 - Audit of Procurement of Subscription Services	2a	We recommend the Chief, Vendor/Contract Management Officer should follow through on plans to provide refresher training to Contract Administrators for not extending purchase orders beyond one year (unless there is a multi-year option).		
5	Vendor and Contract Management	18-AUD-02 - Audit of Procurement of Subscription Services	2b	We recommend the Chief, Vendor/Contract Management Officer should follow through on plans to provide refresher training to Contract Administrators for considering multi-year contracts as an option for recurring services.		
6	Vendor and Contract Management	18-AUD-02 - Audit of Procurement of Subscription Services	2c	We recommend the Chief, Vendor/Contract Management Officer should follow through on plans to provide refresher training to Contract Administrators for ensuring procurement files contain required documents and are sent to the Procurement File Room for storage when the procurements are completed.		
7	Finance & Budget	18-AUD-02 - Audit of Procurement of Subscription Services	3	We recommend the Executive Officer, Finance/Controller should follow through on plans to update the check request policy to require that computer-related subscriptions over $3,000 should go through the Procurement process or a justification memo meeting policy requirements must be provided.		

*This total does not include recommendations included in the Audit of Westside Purple Line Extension Section 2- Modification No. 52, Review of Metro Safety Culture and Rail Operational Safety, and Review of Metro Rail Services Disruptions, as the management response and/or estimated completion dates are still pending. However, Operations has hired consultants to assist in addressing the most critical elements of the Review of Metro Safety Culture and Rail Operational Safety.