



## Board Report

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### FINANCE, BUDGET AND AUDIT COMMITTEE FEBRUARY 16, 2022

**SUBJECT: MANAGEMENT AUDIT SERVICES FY 2022 SECOND QUARTER REPORT**

**ACTION: RECEIVE AND FILE**

#### **RECOMMENDATION**

RECEIVE AND FILE the Management Audit Services FY 2022 second quarter report.

#### **ISSUE**

Management Audit Services (MAS) is required to provide a quarterly activity report to Metro's Board of Directors (Board) that presents information on audits that have been completed or in progress, including information related to audit follow-up activities.

#### **BACKGROUND**

It is customary practice for MAS to deliver the quarterly audit report. The FY 2022 second quarter report covers the period of October 1, 2021 through December 31, 2021.

#### **DISCUSSION**

MAS provides audit services supporting Metro's ability to provide responsive, accountable, and trustworthy governance. The department performs internal and external audits. Internal audits evaluate the processes and controls within the agency, while external audits analyze contractors, cities, and/or non-profit organizations that are recipients of Metro funds. The department delivers management audit services through functional groups: Performance Audit; Contract, Financial and Compliance Audit; and Administration and Policy, including audit support functions. Performance Audit is mainly responsible for internal audits related to Operations, Finance and Administration, Planning and Development, Program Management, Information Technology, Communications, Risk, Safety and Asset Management including the Chief Executive Office; and other internal areas. Contract, Financial and Compliance Audit is primarily responsible for external audits in Planning, Program Management and Vendor/Contract Management. MAS' functional units provide assurance to the public that internal processes and programs are being managed efficiently, effectively, economically, ethically, and equitably; and that desired outcomes are being achieved. This assurance is provided by MAS' functional units conducting audits of program effectiveness, economy and

efficiency, internal controls, and compliance. Administration and Policy is responsible for administration financial management, including audit support, audit follow-up, and resolution tracking.

The following chart summarizes MAS activity for FY 2022 second quarter:

	<b>Completed in FY 2022 Second Quarter</b>	<b>In-Progress as of December 31, 2021</b>
Performance Audits	3 audit projects	5 audit projects
Contract, Financial and Compliance Audits	5 audit projects with a total value of \$830,000	66 audit projects
Financial and Compliance Audits of Metro	8 audit projects	
Audit Follow-up and Resolution	6 follow-up recommendations closed	

The FY 2022 Second Quarter Report is included as Attachment A.

### **EQUITY PLATFORM**

There are no equity impacts or concerns from audit services conducted during this period.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

Management Audit Services FY 2022 Second Quarter Report support Metro's Vision 2028 Goal #5: Provide responsive, accountable, and trustworthy governance within the Metro organization.

### **NEXT STEPS**

Management Audit Services will continue to report audit activity throughout the current fiscal year.

### **ATTACHMENT**

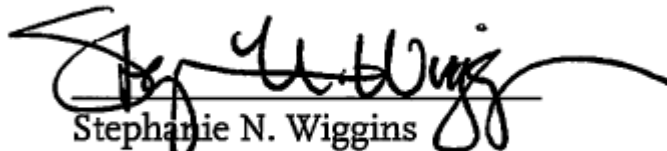
A. FY 2022 Second Quarter Report

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