Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Metro

Board Report

File #: 2019-0774, **File Type:** Informational Report **Agenda Number:** 19.

FINANCE, BUDGET AND AUDIT COMMITTEE
NOVEMBER 20, 2019

SUBJECT: MANAGEMENT AUDIT SERVICES FY 2020 FIRST QUARTER REPORT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE the first quarter report of Management Audit Services (Management Audit) for the period ending September 30, 2019.

ISSUE

Management Audit must provide a quarterly activity report to the Finance, Budget and Audit Committee which includes information on: completed audits, audits that are in progress, our follow-up activities and any other pertinent matters.

BACKGROUND

At its January 2005 meeting, the Board designated the Executive Management and Audit Committee (EMAC) as their audit committee. The EMAC requested a quarterly report from Management Audit on its audit activities. In July 2011, the audit responsibilities were transferred to the Finance, Budget and Audit Committee. This report fulfills the requirement for the first quarter of FY 2020.

DISCUSSION

Management Audit provides audit support to the Chief Executive Officer (CEO) and his executive management team. The audits we perform are categorized as either internal or external. Internal audits evaluate the processes and controls within the agency. External audits analyze contractors, cities or non-profit organizations that we conduct business with or receive Metro funds.

There are four groups in Management Audit: Performance Audit, Contract Pre-Award Audit, Incurred Cost Audit and Audit Support and Research Services. Performance Audit is primarily responsible for all audits for Operations, Finance and Administration, Planning and Development, Program Management, Information Technology, Communications, Risk, Safety and Asset Management and Executive Office. Contract Pre-Award and Incurred Cost Audit are responsible for external audits in Planning and Development, Program Management and Vendor/Contract Management. All of these

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units provide assurance to the public that internal processes are efficiently, economically, effectively, ethically, and equitably performed by conducting audits of program effectiveness and results, economy and efficiency, internal controls, and compliance. Audit Support and Research Services is responsible for administration, financial management, budget coordination, and audit follow-up and resolution tracking.

The summary of Management Audit activity for the quarter ending September 30, 2019 is as follows:

Internal Audits: Four internal audits were completed during the first quarter. As of September 30, 2019, 15 internal audits were in process.

External Audits: Four contract pre-award audits with a total value of $28 million and six incurred cost audits with a total value of $9.7 million were completed during the first quarter. As of September 30, 2019, 53 incurred cost audits were in process.

Audit Follow-up and Resolution: Nine recommendations were closed during first quarter. In addition, 16 recommendations for the OIG were closed during first quarter. Details of all open, extended, and closed recommendations can be found in the First Quarter Board Box titled "Status of Audit Recommendations".

Other Activities: Management Audit Services, in coordination with Vendor / Contract Management developed the Transitional Indirect Cost Rate (TICR) program policy and application process. This program allows firms the use of a conditional indirect cost rate for a period of 12 months from the initial contract award. As of July 2019, one firm has been approved to use a TICR.

Management Audit's FY 2020 first quarter report is included as Attachment A.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of this item supports Metro Vision 2028 Goal #5: Provide responsive, accountable, and trustworthy governance within the Metro organization. However, the projects completed directly or indirectly support all five Vision 2028 goals identified in Metro's Strategic Plan.

NEXT STEPS

Management Audit will provide the second quarter summary of FY 2020 audit activity to the Board at the February 2020 Finance, Budget and Audit Committee meeting.

ATTACHMENT

Attachment A - FY20 Q1 Report

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Phillip A. Washington
Chief Executive Officer

MANAGEMENT AUDIT SERVICES
QUARTERLY REPORT TO THE BOARD

Los Angeles County Metropolitan Transportation Authority

First Quarter FY 2020

TABLE OF CONTENTS

EXECUTIVE SUMMARY
- Summary of Audit Activity 1
- Other Activities 3

EXTERNAL AUDITS
- Contract Pre-Award Audit 4
- Incurred Cost Audit 4

INTERNAL AUDITS
- Performance Audit of Finance (Payroll)'s COOP 5
- Performance Audit of MV Transportation Contracted Bus Service Contract Compliance 5
- Independent Auditor's Report for Metro's Bus Advertising Contractor 5
- Independent Auditor's Report for Metro's Rail Advertising Contractor 6

AUDIT SUPPORT SERVICES
- Audit Follow-Up and Resolution 7

SUMMARY TABLES
- Appendix A – Contract Pre-Award Audits Completed 8
- Appendix B – Incurred Cost Audits Completed 9
- Appendix C – Internal Audits in Process 10
- Appendix D – Open Audit Recommendations 12
- Appendix E – OIG Open Audit Recommendations 19

EXECUTIVE SUMMARY

Summary of Audit Activity

During the first quarter of FY 2020, 14 projects were completed. These include:

Internal Audits
- Performance Audit of Finance (Payroll)'s Continuity of Operations Plan (COOP);
- Performance Audit of MV Transportation Contracted Bus Service Contract Compliance;
- Independent Auditor's Report for Metro's Bus Advertising Contractor; and
- Independent Auditor's Report for Metro's Rail Advertising Contractor.

Pre-Award Audits
- Independent Auditor's Report on Agreed-Upon Procedures of New Flyer of America, Inc.'s compliance with U.S. Employment Program; and
- Three (3) Independent Auditor's Report on Agreed-Upon Procedures for the cost proposal for the WB SR-91 Alondra to Shoemaker Improvement Project.

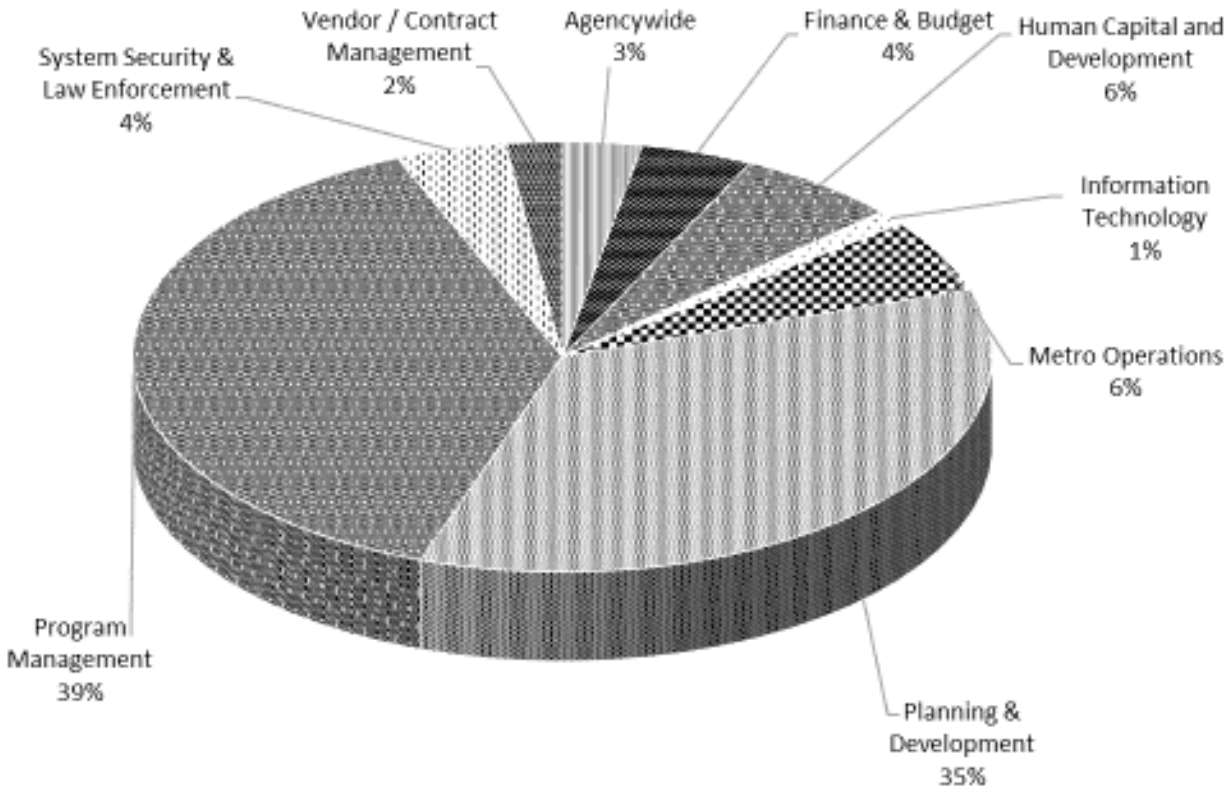
Incurred Cost Audits
- Independent Auditor's Report on Agreed-Upon Procedures of Cogstone Resource Management, Inc.'s indirect cost rates for fiscal years 2013-2015 for the Westside Subway Extension Project;
- Independent Auditor's Report on Agreed-Upon Procedures of Ted Tokio Tanaka Architects' final indirect cost rates for fiscal years 2014-2015 for the Regional Connector Transit Corridor Project;
- Independent Auditor's Report on Agreed-Upon Procedures of Advantec Consulting Engineers, Inc.'s final indirect cost rates for fiscal year 2016 for the Westside Purple Line Extension Project;
- Independent Auditor's Report on Agreed-Upon Procedures of Ramboll Environ's interim incurred cost for fiscal years 2011 and 2013-2015 for the I-710 Corridor Project Environmental Impact Report/Study;
- Independent Auditor's Report on Agreed-Upon Procedures of Ted Tokio Tanaka Architects' final indirect cost rates for fiscal years 2016-2017 for the Regional Connector Transit Corridor Project; and
- Independent Auditor's Report on Agreed-Upon Procedures of Grimshaw Architects, P.C.'s interim incurred cost for the period August 7, 2015 through November 30, 2016 for the Airport Metro Connector 96th Street Transit Station.

The completed external audits are discussed on page 4. Discussions of the internal audits begin on page 5.

EXECUTIVE SUMMARY

Sixty-nine projects were in process as of September 30, 2019; these included 15 internal audits, one contract pre-award audit, and 53 incurred cost audits.

The following chart identifies the functional areas where Management Audit focused audit staff time and efforts during first quarter FY 2020:



Audit follow-up:

- Nine recommendations were closed during the first quarter. At the end of the quarter there were 40 open audit recommendations.
- In addition, we closed 16 OIG recommendations. At the end of the quarter there were 83* open audit recommendations.

*This total does not include recommendations for the Audit of Westside Purple Line Extension Section 2- Modification No. 52 as the management response and/or estimated completion dates are still pending.

EXECUTIVE SUMMARY

Other Activities

Transitional Indirect Cost Rate (TICR) Pilot Program

At the September 2017 Board meeting Director Dupont-Walker requested that staff report back on efforts for streamlining audits for small businesses. One area that was targeted was simplifying indirect cost rates (ICR). A result of those efforts was the establishment of the TICR Pilot Program. This program allows firms the use of a conditional indirect cost rate for a period of 12 months from the initial contract award. The TICR is used for funding, interim reimbursement, and reporting indirect costs awards. During the conditional period the firm will establish data with the intent of establishing a final ICR. MAS, in coordination with Vendor / Contract Management (VCM) developed the TICR program policy and application process. As of July 2019, one firm has been approved to use a TICR. MAS and VCM are now including information on the TICR Program in contract kick-off meetings to ensure firms are aware of the program.

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 first quarter FY 2020, four audits were completed, reviewing approximately $28 million. Auditors questioned $320 thousand of the proposed costs. The audits supported procurements in the following areas:

- U.S. Employment Program; and
- WB SR-91 Alondra to Shoemaker Improvement Project.

One contract pre-award audit was in process as of September 30, 2019.

Details on Contract Pre-Award Audits completed during first quarter FY 2020 are included 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 six audits during first quarter FY 2020. We reviewed $9.7 million of funds and identified $2 million or 20% of funds that may be reprogrammed. Fifty-three incurred cost audits were in process as of September 30, 2019.

Details on Incurred Cost Audits completed during first quarter FY 2020 are included in Appendix B.

INTERNAL AUDITS

For the first quarter of FY 2020, four internal audits were completed. Fifteen internal audits were in process as of September 30, 2019. The internal audits in process are listed in Appendix C.

The following internal audits were issued in the first quarter FY 2020:

Performance Audit of Finance (Payroll)'s Continuity of Operations Plan (COOP)
The audit objective was to evaluate the adequacy of Finance (Payroll)'s COOP and Standard Operating Procedures (SOPs) to support Finance (Payroll)'s mission essential functions during emergencies.

We found that Finance (Payroll)'s COOP identifies Finance's primary mission essential functions and has been in place since November 2017. Payroll participates with the other selected business units to test emergency systems including applications and processing of transactions in an off-site facility in California. However, Finance (Payroll)'s COOP and the supporting SOPs need to include additional key information (e.g. activation criteria, key personnel contacts, etc.) to improve Payroll's ability to efficiently and effectively continue its mission essential function in the event of an emergency.

Management concurred with all the recommendations and is implementing the corrective actions.

Performance Audit of MV Transportation Contracted Bus Service Contract Compliance
Management Audit Services (MAS) contracted BCA Watson Rice LLP (BCA) to complete a performance audit of MV Transportation Contracted Bus Service Contract Compliance. The audit was part of the FY19 Audit Plan. The audit objective was to determine MV Transportation's compliance with Contract No. OP38384 as it relates to bus maintenance, quality control and driver safety.

BCA found that MV Transportation was in compliance with the Metro contract requirements related to bus maintenance, quality control, and driver safety. However, the auditors identified six business process improvements for MV Transportation and Metro's consideration. The six suggested process improvements are intended to enhance overall contract performance and are described in detail in the audit report. Both MV Transportation and Metro's Operations management were receptive to the suggested improvements and agreed to explore the possibility of implementing the recommendations.

Independent Auditor's Report for Metro's Bus Advertising Contractor
MAS contracted with BCA to assist the Communications department in evaluating Outfront Media Group, LLC.'s (Outfront), the bus advertising contractor, compliance with the Contract No. PS41099B terms of revenue share with Metro for year 1, from March 1, 2018 to February 28, 2019.

INTERNAL AUDITS

The auditors found that Outfront was in compliance with the contract terms of revenue share with Metro. Metro received the minimum guaranteed payments of $23,500,000 which is $6,494,790 more than 55 percent (%) of the bus advertising revenue of $30,918,563 for Year 1.

Independent Auditor's Report for Metro's Rail Advertising Contractor
MAS contracted with BCA to assist the Communications department in evaluating Intersection Parent, Inc.'s (Intersection), the rail advertising contractor, compliance with the Contract No. PS41099R terms of revenue share with Metro for year 1, from March 1, 2018 to February 28, 2019.

The auditors found that Intersection was in compliance with the contract terms of revenue share with Metro for Year 1. Metro received total payment of $2,244,455 which is $244,455 more than the minimum guaranteed payment of $2,000,000. The $2,244,455 represents 55% of the rail advertising revenue of $4,080,827 for Year 1.

AUDIT SUPPORT SERVICES

Audit Follow-Up and Resolution

During the first quarter, nine recommendations were completed and closed. At the end of the quarter there were 40 outstanding audit recommendations. The table below summarizes the third quarter activity.

Summary of MAS and External Audit Recommendations
As of September 30, 2019

Executive Area	Closed	Late	Extended	Not Yet Due/Under Review	Total Open
Communications			2		2
Finance & Budget			1	3	4
Information Technology Services	3		2		2
Metro Operations	1		6	5	11
Planning and Development	1		1	1	2
Program Management	4			1	1
System Security and Law Enforcement				5	5
Vendor/Contract Management				13	13
Total	9		12	28	40

In addition to the above MAS and external audit recommendations, we closed 16 recommendations for the Office of the Inspector General (OIG). At the end of the quarter there were 83* outstanding OIG audit recommendations.

Details of open audit recommendations for MAS and OIG are included in Appendix D and E, respectively.

*This total does not include recommendations for the Audit of Westside Purple Line Extension Section 2- Modification No. 52 as the management response and/or estimated completion dates are still pending.

Appendix A

Contract Pre-Award Audit - Audits Completed During First Quarter						
No.	**Area**	**Audit Number & Type**	**Auditee**	**Frequency**	**Requirement**	**Date Completed**
1	Operations	19-OPS-A02 Agreed-Upon Procedures	New Flyer of America, Inc.	Once	V/CM Policy and Contract Terms	7/2019
2	Planning & Development	20-PLN-A06 Agreed-Upon Procedures	Advanced Civil Technologies, Inc.	Once	V/CM Policy and Contract Terms	9/2019
3	Planning & Development	20-PLN-A05 Agreed-Upon Procedures	WKE, Inc.	Once	V/CM Policy and Contract Terms	9/2019
4	Planning & Development	20-PLN-A03 Agreed-Upon Procedures	Michael Baker International, Inc.	Once	V/CM Policy and Contract Terms	9/2019

Appendix B

Incurred Cost Audit - Audits Completed During First Quarter						
No.	**Area**	**Audit Number & Type**	**Auditee**	**Frequency**	**Requirement**	**Date Completed**
1	Program Management	17-CON-A34 Agreed-Upon Procedures	Cogstone Resource Management, Inc.	Once	V/CM Policy and Contract Terms	7/2019
2	Program Management	19-CON-A22 Agreed-Upon Procedures	Ted Tokio Tanaka Architects	First Time	V/CM Policy and Contract Terms	7/2019
3	Program Management	18-CON-A13 Agreed-Upon Procedures	Advantec Consulting Engineers, Inc.	Once	V/CM Policy and Contract Terms	8/2019
4	Planning & Development	17-PLN-A16A Agreed-Upon Procedures	Ramboll Environ	Once	V/CM Policy and Contract Terms	8/2019
5	Program Management	19-CON-A23 Agreed-Upon Procedures	Ted Tokio Tanaka Architects	2nd Time	V/CM Policy and Contract Terms	8/2019
6	Planning & Development	17-PLN-A20 Agreed-Upon Procedures	Grimshaw Architects, P.C.	First Time	V/CM Policy and Contract Terms	8/2019

Appendix C

Internal Audit - In Process Audits as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Description**	**Frequency**	**Requirement**	**Estimated Date of Completion**
1	Pension and Benefits	19-BEN-P01 - Performance Audit of Benefit Eligibility	Evaluate adequacy of internal controls over eligibility process for employee dependents for medical benefits.	First Time	Per FY19 Audit Plan	10/2019
2	Metro Operations	19-OPS-P02 - Performance Audit of Rail Communication Systems	Determine the adequacy of the security controls over Rail Communication network system for Rail Operations Control equipment, including but not limited to the firewall and password policies; logical security of remote sites; protocol including criteria and guidelines used to protect the network; rail communication systems redundancy; change management process, and incident response process.	First Time	Per FY19 Audit Plan	11/2019
3	Metro Operations	19-OPS-P03 - Performance Audit of SCADA Security Controls	To determine the adequacy of the security controls for the SCADA Systems, including but not limited to the new virtualized SCADA server/workstations for Rail Operations Control Room (ROC) equipment, logical and physical security of remotes for external remove connection, and other additional areas as deemed necessary.	2nd Time; Last Audit 7 years ago	Per FY19 Audit Plan	11/2019
4	System Security & Law Enforcement	19-SEC-P01 - Agreed-Upon Procedures over Assets Purchased by Metro for Los Angeles Sheriff's Department (LASD) Contracts	Verify the existence, location, condition and use of assets, final disposition of retired assets and disposal proceeds, and completeness and accuracy of LASD's and Metro's records of these assets.	First Time	Per FY19 Audit Plan	11/2019
5	Metro Operations	16-OPS-P03 - Performance Audit of Accident Prevention Program	To assess progress made in this area since the 2012 MAS audit of bus accident prevention and to identify improvement opportunities that may reduce accidents.	2nd Time; Last Audit 7 years ago	Per FY16 Audit Plan	11/2019
6	Vendor/Contract Management	17-VCM-P02 - Performance Audit of Change Order Internal Controls	To evaluate the adequacy and effectiveness of internal controls over the Contract Change Order Process, and to evaluate the utilization of Key Information by VCM.	First Time	Per FY17 Audit Plan	11/2019
7	Planning & Development	20-PLN-P01 - Performance Audit of Low Income Housing Targets/Goals	Determine adequacy of monitoring compliance with Low Income Housing Targets/Goals.	First Time	Per FY20 Audit Plan	11/2019
8	Human Capital & Development / 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 Capital & Development and Office of Management and Budget.	2nd Time; Last Audit 9 years ago	Per FY17 Audit Plan	12/2019
9	Metro Operations / System Security & Law Enforcement	18-AGW-P01 - Performance Audit of Internal Controls over Overtime Payments for AFSCME	Evaluate adequacy of the internal controls over overtime payments for AFSCME union employees for selected positions.	2nd Time; Last Audit 2 years ago	Per FY18 Audit Plan	12/2019

Appendix C

Internal Audit - In Process Audits as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Description**	**Frequency**	**Requirement**	**Estimated Date of Completion**
10	Metro Operations	19-OPS-P01 Performance Audit of Wayside Systems Engineering & Maintenance Training Phase I	Determine whether existing and newly hired employees of Wayside Systems Engineering & Maintenance completed the required training (technical, safety, and mandated) including required refresher courses; required certification per position is current; and employees have the right certification for the tasks assigned.	First Time	Per FY19 Audit Plan	12/2019
11	Agency-Wide	19-RSK-P01 - Performance Audit of System Security & Law Enforcement's Continuity of Operations Plan (COOP)	Evaluate the adequacy of System Security and Law Enforcement's COOP and Standard Operating Procedures (SOPs) to support mission essential functions during emergencies.	2nd Time; Last Audit 9 years ago	Per FY18 Audit Plan	12/2019
12	Vendor/Contract Management	19-VCM-P01 - Compliance Audit of Business Interruption Funds	Evaluate Business Interruption Fund's compliance with administrative guidelines, and fund and disbursement procedures.	3rd Time; Annual Audit	Per FY19 Audit Plan	12/2019
13	Information Technology	20-ITS-P02 Follow-Up Audit of Information Security	To evaluate if prior information security corrective actions were implemented.	2nd Time; Last Audit 9 years ago	Per FY20 Audit Plan	3/2020
14	Agency-Wide	20-ITS-P01 - Performance Audit of IT Security Awareness	Evaluate the extent of information technology security awareness for selected business units within the Agency.	First Time	Per FY20 Audit Plan	6/2020
15	Operations / Risk, Safety / Environmental Compliance	20-OPS-P01 - Performance Audit of Personal Protective Equipment for Maintenance	Determine adequacy of training and utilization of personal protective equipment by Metro workers performing clean-ups of Metro facilities impacted by activities of homeless individuals.	First Time	Per FY18 Audit Plan	11/2020

Appendix D

Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
1	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 in the final stages. Metro Commute Services (MCS) is obtaining input from County Counsel.**	3/31/2017	12/31/2019
2	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 in the final stages. Metro Commute Services (MCS) is obtaining input from County Counsel.**	3/31/2017	12/31/2019
3	Information Technology Services	17-ITS-P01 Performance Audit of Information Technology Services (ITS) Project Management	3	We recommend that the Chief Information Officer require that all IT required project documentation be completed for each phase of all IT projects, based on the IT Project Management Methodology. This is especially important to show adequate requirements analysis and measurement of end-user involvement, testing, and acceptance. **Update: ITS reports that it is in the process of recruiting additional members for its executive management team who will focus on project management and the PMO (project management office) function. The recruitment of these executive has not been completed but is expected to be finalized by the end of the calendar year.**	6/30/2019	12/31/2019
4	Information Technology Services	17-ITS-P01 Performance Audit of Information Technology Services (ITS) Project Management	5	We recommend that the Chief Information Officer require that IT controls are designed into new systems and reflected within IT project management plans, and resulting operational procedures. A risk-based approach to the design and implementation of controls, related to application and related systems and business processes, should be utilized. Focus should be placed on risks that have the highest impact and likelihood to occur. At a minimum, the following controls should be addressed on all IT projects to ensure a sound control environment upon completion: Data Security Controls, Financial Controls, Application Controls, General Computer Controls (Infrastructure), Data Conversion Controls, Interface Controls, Data Integrity Controls. **Update: ITS reports that it is in the process of obtaining a subject matter expert to assist in reviewing its proposed IT Project Management Methodology that it plans to roll out in the future, which will address the subject matter of this recommendation.**	6/30/2019	12/31/2019

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

Appendix D

Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
5	Operations	17-OPS-P07 Performance Audit of the Track Allocation Process	4a	We recommend the Chief Operations Officer consider directing Rail Operations to add more fields in the electronic Track Allocation Request Form to assist Rail Operations Controllers in minimizing some of their manual entries. For example, the Track Allocation Request Form could be further configured to include a check box indicating if the schedule was activated or not, as well as the time and date it was activated, and a drop down menu to include reasons for schedule modification. **Update: This recommendation is about 30% complete. Operations is developing an electronic Track Allocation Form/Schedule, integrating System Generated Special Events Calendar, generating an electronic Work Permit, and generating System Reports.**	6/30/2019	4/30/2020
6	Operations	17-OPS-P07 Performance Audit of the Track Allocation Process	4b	We recommend the Chief Operations Officer consider directing the Track Allocation Coordinator to measure effectiveness of schedules by periodically assessing whether crews that were scheduled to access the ROW actually accessed the ROW. This will provide visibility to the stakeholders as well as assist the Track Allocation Coordinator in modifying future schedules. This periodic review will only be possible once the data from the newly implemented log has been collected. **Update: Pending completion of recommendation 4a.**	6/30/2019	4/30/2020
7	Vendor/Contract Management	16-VCM-P01 Performance Audit of Purchase Card (P-Card) Program	2	We recommend that Executive Officer of Vendor/Contract Management, support services direct the Agency Program Coordinator to work with Talent Development to add P-Card refresher training to the training profile of all Cardholders and Approving Officials showing it as mandatory training to automatically trigger a refresher training reminder. This would afford the mandatory P-Card refresher training similar process such as Human Trafficking Awareness and Basic IT Security Awareness training which both are required for all Metro employees. **Update: Closed as of October 2019.**	9/30/2019	
8	Finance & Budget	16-VCM-P01 Performance Audit of Purchase Card (P-Card) Program	4	We recommend that Accounts Payable coordinate with Information Technology Systems and the Agency Program Coordinator to automate the approval process to improve processing time of P-Card statements as well as authentication of the approvers. **Update: Accounting staff met with ITS to discuss the approval process automation project for P-Card. Based on current workload, approval workflow, testing and user training will be implemented by March 31 2020.**	8/30/2019	3/31/2020

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

Appendix D

Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
9	System Security and Law Enforcement	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	1a	We recommend that the Emergency Management Unit collaborate with the business units, starting with V/CM, to ensure that the business unit COOPs, and all related documents (e.g., SOPs), include the essential content necessary to support the agency-wide program.	6/30/2020	
10	Vendor/Contract Management	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	1b	We further recommend that over the next 12 to 18 months, V/CM should consider focusing its efforts on completing and including the following content with Emergency Management's support and guidance: criteria for COOP activation and relocation decisions; flow charts and decision trees; step-by-step instructions applicable to Gateway or agency-wide emergencies; names, titles and contact details such as phone numbers and emails for all continuity personnel (e.g., Advance Team, CMG, and successors); distribution and logistics dependencies, such as MEFs, mission essential systems, records, databases, supplies and equipment; mission essential records and database storage locations.	10/30/2020	
11	Vendor/Contract Management	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	2	We recommend that V/CM management review and reassess the COOP and SOPs periodically to verify that any resulting updates are implemented, including updating V/CM's COOP contact details in the event of key personnel changes.	4/30/2020	
12	Vendor/Contract Management	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	3	We recommend that V/CM management work with Emergency Management to arrange for COOP execution training by an emergency management expert concurrently with each annual update.	7/31/2020	
13	Program Management	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	4	We recommend that the Chief Program Management Officer take the lead role in collaborating with all responsible parties, such as V/CM, Project Delivery Third Party Coordination, County Counsel, etc., to establish agreements with utility companies to guarantee service continuity and restoration in emergency situations.	3/31/2020	
14	Vendor/Contract Management	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	5	We recommend that V/CM management consider referencing all the existing COOP-related SOPs to the COOP and/or attaching them as appendices to the COOP, doing the same to the SOPs under development as they are completed.	10/30/2020	
15	Planning & Development	18-CON-P01 Performance Audit of the Regional Connector Transit Corridor Project	2	We recommend Metro's Countywide and Planning Development Management to conduct Fiscal Stability Overview and Funding Commitment Inventory analyses annually for the planned capital programs.	12/31/2019	

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

Appendix D

Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
16	Planning & Development	18-CON-P01 Performance Audit of the Regional Connector Transit Corridor Project	3	We recommend Grants Management and Oversight Unit Strategic Management to review if existing procedures are in-place to corroborate or document the allocation and changes in project revenue streams such as the Lease Revenue and FAST/CMAQ funds in fiscal years, 2020/2021 and 2021/2022. **Update: Grants Management and Oversight Unit Strategic Management staff reviewed its existing Processes and Procedures Manual that address documenting funding allocations or changes in revenue. However, no such procedures currently exist. Grants Management and Oversight Unit Strategic Management staff will develop and draft procedures to be included as an amendment to chapter 2 of its Processes and Procedures Manual.**	6/30/2019	12/31/2019
17	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	1	We recommend Operations management develop a procedure to track operators that were already assigned OCB for the week to reduce the risk of assigning them OCB again the same week. **Update: This recommendation will be corrected by the corrective action described in recommendation #4.**	9/30/2019	12/31/2019
18	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	2	We recommend Operations management ensure that Division Staff require Operators to provide a signed VCB request form to prevent the VCB from being erroneously recorded as OCB. **Update: Management responded that this will be resolved by the fix to resolve recommendation #4, but the underlying problem requires a change in manual procedures. MAS is following up with Operations to determine whether and how this has been resolved.**	9/30/2019	12/31/2019
19	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	3	We recommend Operations management periodically monitor OCB assignments and identify Division(s) with high exception rates. Perform a root cause analysis to evaluate alternatives to resolve, e.g., requesting support to cover workforce shortages in certain Division(s).	12/31/2019	
20	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	4	We recommend Operations management continue working with ITS to implement the planned automated controls to prevent OCB more than once per week. **Update: Management requested and received a program change from the vendor to prevent off-duty call back (OCB) more than once per week, which was tested, modified, and implemented at the end of September 2019. MAS will test effectiveness of the fix once the required test data becomes available.**	7/31/2019	12/31/2019

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

Appendix D

Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
21	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	5	We recommend Operations management immediately perform all the needed corrections for underpayments and overpayments for all LIP eligible hours from July 1, 2017 to date.	12/31/2019	
22	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	6	We recommend Operations management, after completing recommendation number 5 above, partner with ITS to perform periodic true ups to determine any over/underpayment, and submit required corrections to Payroll regularly and in a timely manner until calculations can be automated.	12/31/2019	
23	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	7	We recommend Operations management reinforce the training with the Division Staff to properly record all LIP eligible hours and pay codes including special conditions for non-certified Line Instructors.	12/31/2019	
24	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	8	We recommend Operations management collaborate with ITS, in consultation with Employee and Labor Relations, to assess possibilities to automate LIP calculations and reporting as practical in either HASTUS or the Payroll system.	12/31/2019	
25	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	12	We recommend Operations management immediately partner with ITS department in determining any underpayments due to fallback hours, and make timely corrections necessary for all holidays starting May 2018 to date. **Update: Management prepared a worksheet of underpayment corrections and provided it to MAS for review in October 2019. MAS review is pending receipt of reference data to confirm this. These corrections are expected to be finalized and submitted to Payroll.**	9/30/2019	12/31/2019
26	Vendor/Contract Management	18-VCM-P02 Performance Audit of the Tracking of Small Business Enterprise (SBE) \ Disadvantaged Business Enterprise (DBE) Goals	1	We recommend that DEOD Management collaborate with Contract Administration to develop procedures and establish the timeline for ensuring that information about modifications to contract values is promptly communicated from contract administrators to DEOD staff to update the B2G system information.	10/31/2019	
27	Vendor/Contract Management	18-VCM-P02 Performance Audit of the Tracking of Small Business Enterprise (SBE) \ Disadvantaged Business Enterprise (DBE) Goals	2	We recommend that DEOD Management identify individuals within DEOD who should receive the contract change data from the Contract Administrators and Project Managers for updating the information in the B2G system.	10/31/2019	

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Appendix D

Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
28	Vendor/Contract Management	18-VCM-P02 Performance Audit of the Tracking of Small Business Enterprise (SBE) \ Disadvantaged Business Enterprise (DBE) Goals	3	We recommend that DEOD Management implement a supervisory review of DEOD staff/consultants' data entries to ensure the data entered into the B2G system is complete, accurate and valid.	10/31/2019	
29	Vendor/Contract Management	18-VCM-P02 Performance Audit of the Tracking of Small Business Enterprise (SBE) \ Disadvantaged Business Enterprise (DBE) Goals	4	We recommend that DEOD Management work with ITS and the Vendor of the B2G System to explore the feasibility of creating a reporting template in the B2G system that includes a built in formula that will automatically calculate the elements that DEOD requires for TBAC reports. This should include ensuring that the reporting template links properly to data sources within the B2G system for calculation purposes and that the calculations are correct.	10/31/2019	
30	Vendor/Contract Management	18-VCM-P02 Performance Audit of the Tracking of Small Business Enterprise (SBE) \ Disadvantaged Business Enterprise (DBE) Goals	5	We recommend that DEOD Management work with the ITS and the Vendor of the B2G system to explore the possibility of developing a standardized shortfall communication template which includes all needed elements to inform contractors of their shortfall status. The template should be linked to data sources within the B2G system for accurate information. Also explore the possibility whether the letters can be automatically sent out to contractors for timely communication of the shortfall status. (This is for the long-term.)	10/31/2019	
31	Vendor/Contract Management	18-VCM-P02 Performance Audit of the Tracking of Small Business Enterprise (SBE) \ Disadvantaged Business Enterprise (DBE) Goals	6	We recommend that the DEOD Management direct the Compliance Managers to develop a mechanism to ensure that all required shortfall letters are actually being prepared and sent to the respective Prime Contractors for remedial action. (For example, periodically performing a supervisory review to compare the quantity of Prime contractors that are in a shortfall status as of a given date to the actual shortfall letters that have been prepared and sent out to the respective Prime contractor. Based on the comparison, reconcile any differences if noted.)	10/31/2019	
32	Vendor/Contract Management	18-VCM-P02 Performance Audit of the Tracking of Small Business Enterprise (SBE) \ Disadvantaged Business Enterprise (DBE) Goals	7a	We recommend that DEOD management Instruct the DEOD consultant to prepare written procedures for all key activities for inputting, tracking/monitoring and communicating SBE\DBE compliance data in the B2G system.	10/31/2019	
33	Vendor/Contract Management	18-VCM-P02 Performance Audit of the Tracking of Small Business Enterprise (SBE) \ Disadvantaged Business Enterprise (DBE) Goals	7b	We recommend that DEOD management Instruct the DEOD consultant to train another designated DEOD staff in inputting, tracking and monitoring data in the B2G system, using these procedures.	10/31/2019	

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Appendix D

Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
34	System Security and Law Enforcement	18-RSK-P02 Performance Audit of Finance (Payroll)'s Continuity of Operations Plan	1	We recommend that Emergency Management should coordinate with Payroll to facilitate training and add the additional details to Finance (Payroll)'s COOP and SOPs, including criteria for COOP activation and relocation decisions, flow charts, decision trees and step-by-step instructions.	2/28/2021	
35	System Security and Law Enforcement	18-RSK-P02 Performance Audit of Finance (Payroll)'s Continuity of Operations Plan	2	We recommend that Emergency Management should coordinate with Payroll to create an SOP template to include names, titles and contact details (phone numbers and emails) for all continuity personnel, such as the CMG, key continuity positions and successors. Advance team references should state "provided by ITS".	7/31/2020	
36	System Security and Law Enforcement	18-RSK-P02 Performance Audit of Finance (Payroll)'s Continuity of Operations Plan	3	We recommend that Emergency Management should coordinate with Payroll to review and assess the COOP and SOPs annually and verify that any resulting updates are implemented.	7/31/2020	
37	System Security and Law Enforcement	18-RSK-P02 Performance Audit of Finance (Payroll)'s Continuity of Operations Plan	4	We recommend that Emergency Management should coordinate with Payroll to schedule COOP execution training by an emergency management expert concurrently with each annual COOP update.	7/31/2020	
38	Finance & Budget	18-RSK-P02 Performance Audit of Finance (Payroll)'s Continuity of Operations Plan	5	We recommend that Payroll management update the SOP contact details as requested by Emergency Management on a periodic basis, e.g., quarterly or semi-annually, or when Accounting Administration issues a revised organization chart with changes to Payroll key personnel.	7/31/2020	
39	Finance & Budget	18-RSK-P02 Performance Audit of Finance (Payroll)'s Continuity of Operations Plan	6	We recommend that Payroll management add language for the roster of trained personnel (Appendix E): "ITS will assign personnel at the backup site".	8/30/2020	
40	Finance & Budget	18-RSK-P02 Performance Audit of Finance (Payroll)'s Continuity of Operations Plan	7	We recommend that Payroll management consolidate all the COOP-related SOP information into one document. The existing COOP-related SOPs should be referenced and attached as appendices to Finance (Payroll)'s COOP, and SOPs under development should be referenced to and attached as they are completed.	7/31/2020	

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Appendix E

OIG Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
1	Operations	17-AUD-04 Review of Metro Safety Culture and Rail Operational Safety	14 Total	The 117 recommendations included in this report address findings in Safety Culture, Red Signal Violations, Safety Assessment of Infrastructure Elements, Technology, Operations and Maintenance, Human Resources, and etc. **Update: As of July 2019, 103 of 117 recommendations were closed.**	Pending	
2	Operations	18-AUD-03 Review of Metro Rail Service Disruptions	9	Set priorities based on Metro's asset assessment as soon as it is completed to reduce delay incidents.	6/30/2019	9/30/2019
3	Operations	18-AUD-03 Review of Metro Rail Service Disruptions	25	Consider converting some P2000 cars running on the MBL/Expo lines back to the MGL operation if the ATO/ATP packages removed earlier are still available. The critical float will be the P2000 MGL cars with their line specific ATO/ATP equipment.	12/31/2020	
4	Operations	18-AUD-03 Review of Metro Rail Service Disruptions	52	Establish a process and a criterion for replacement of existing signal installations that includes useful life of installation, failure rate, obsolescence, service needs, and available funding. While the Metro asset inventory will provide an important resource to this end when it is finished, this system of prioritization should be formalized and implemented in current signal procedures.	6/30/2019	9/30/2019
5	Operations	18-AUD-03 Review of Metro Rail Service Disruptions	57	Establish a process and a criterion for replacement of existing traction power equipment that includes useful life of installation, failure rate, obsolescence, service needs, and available funding. While the Metro asset inventory will provide an important resource when it is finished, this system of prioritization should be formalized and implemented in current signal procedures.	6/30/2019	9/30/2019
6	Communications	18-AUD-04 Increasing Public Transit and Rideshare Use Study	1	Increase marketing to specific audience groups to increase ridership by developing additional marketing programs directly aimed at user groups such as students, business and government entities, and employees "Live Near Your Work" campaigns.	12/31/2019	
7	Communications	18-AUD-04 Increasing Public Transit and Rideshare Use Study	2a	Coordinate with other LA County public agencies to encourage additional use of public transit and participation in rideshare programs, including maximizing allowable transit subsidies over parking subsidies. For example, the City of LA could increase its monthly transit subsidy to be more in line with monthly transit costs.	12/31/2019	
8	Communications	18-AUD-04 Increasing Public Transit and Rideshare Use Study	2b	Coordinate with other LA County public agencies to encourage additional use of public transit and participation in rideshare programs, including maximizing allowable transit subsidies over parking subsidies. For example, the County of LA could expand its current commuter programs to provide employees subsidies for using public transit/rideshare for commute trips for all County work locations at a monthly rate closer to actual costs.	12/31/2019	

Appendix E

OIG Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
9	Communications	18-AUD-04 Increasing Public Transit and Rideshare Use Study	3	Explore modifications to Metro's Employer Annual Pass Program to further encourage transit usage, such as the addition of a monthly pass option.	12/31/2019	
10	Communications	18-AUD-04 Increasing Public Transit and Rideshare Use Study	5	Encourage use of public transit at meetings and events where contractors will be present.	12/31/2019	
11	Operations	19-AUD-01 Metro Transit Security Performance Review	7	Metro Operations should monitor and track the amount of time required to transfer calls requiring a law enforcement response to the appropriate law enforcement dispatch center and take appropriate actions to ensure calls are quickly processed.	Pending	
12	Operations	19-AUD-07 OIG Spot Check - Bus Operator Battery Reset Practices	1	We recommend that Operations Management continue to communicate to bus operators and controllers on a regular basis that the practice of bus operators performing battery shutdowns has ceased.	11/30/2019	
13	Operations	19-AUD-07 OIG Spot Check - Bus Operator Battery Reset Practices	2	We recommend that Operations Management continue to assess and provide the resources required to minimize transit customer delay time given that the battery reset process did fix some operational problems.	11/30/2019	
14	Operations	19-AUD-07 OIG Spot Check - Bus Operator Battery Reset Practices	3	We recommend that Operations Management continue to study what circumstances cause bus field repairs and what specifications might be included in future procurements for systems and devices used in buses to reduce breakdowns and improve bus performance.	11/30/2019	
15	Operations	19-AUD-07 OIG Spot Check - Bus Operator Battery Reset Practices	4	We recommend that Operations Management consider the engineering adjustments necessary for improved safety of operators or others associated with battery resets that might occur by operators regardless of the new guidelines to cease operator battery resets.	11/30/2019	
16	Operations	19-AUD-07 OIG Spot Check - Bus Operator Battery Reset Practices	5	We recommend that Operations Management consider if battery hatches should be locked the way hatches inside the buses are to prevent unauthorized access.	11/30/2019	
17	Operations	19-AUD-07 OIG Spot Check - Bus Operator Battery Reset Practices	6	We recommend that Operations Management consider if further research on what circumstances or problems are corrected by a soft software reset versus a full battery reset, if it is possible to mitigate risks for software diagnostic damages in the event of a battery reset, and if considering the time it takes for a mechanic to arrive, it might be more efficient to allow the performance of the appropriate reset in those cases.	11/30/2019	

Appendix E

OIG Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
18	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	1	Metro should continue to install the bus operator safety barriers and onboard camera and monitor systems throughout its bus fleet and continue to monitor incident data to further verify the effectiveness of both systems in preventing assaults on bus operators.	10/31/2019	
19	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	2a	Metro should ensure data collection is standardized by Metro and all transit security providers and investigators to consistently identify the types of assaults that have occurred, if the bus was equipped with a safety barrier, if the barrier was in use at the time of the assault, and if in use, how it was being used (i.e., top portion only, bottom portion only, or both portions). Standardizing the data in this manner will result in more accurate and consistent data that can be more easily analyzed to identify trends and to measure performance.	10/31/2019	
20	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	2b	Metro should ensure data is collected on the type and extent of injuries incurred by bus operators when the safety barriers are in use. This will further aid in determining the effectiveness of the safety barriers (i.e., if bus operator injuries are lessened as a result of the barriers being used) and if design changes or modifications are necessary.	10/31/2019	
21	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	3	Metro should ensure that assault trend analysis results are used to review current policing and fare enforcement strategies to determine if law enforcement, Supervisors, and fare enforcement personnel and strategies are being appropriately deployed toward the routes and times of day in most need of Police, Supervisory, or fare enforcement presence.	10/31/2019	
22	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	4a	Metro should make the use of the barriers mandatory until Metro can determine if their use contributes to or causes accidents or increases accident frequency. Mandatory use of the barriers is the best way to evaluate their true effectiveness in reducing assaults on bus operators.	10/31/2019	
23	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	4b	If the use of the barriers is made mandatory, Metro should collect data to substantiate and study the issues identified by operators as to why they do not use the barriers. Metro can then take corrective action, such as design changes and modifications to the barriers, if accident/incident data substantiate operator concerns.	10/31/2019	
24	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	5a	Metro should further study why bus operators feel the bus safety barriers do not provide the protection needed to make them feel more secure and the other measures bus operators would like to see implemented.	10/31/2019	
25	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	5b	Evaluate the current design of the safety barriers to determine if bus operators' concerns can be addressed through design changes and modifications made to the safety barriers.	10/31/2019	

Appendix E

OIG Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
26	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	5c	Create a committee comprised of bus operators, Supervisors and Managers, Safety Department, and Bus Operations and Bus Maintenance personnel to investigate these issues and to determine appropriate mitigations. The focus of the committee should include an effort to increase barrier use, identify ways to make the barriers more effective, and evaluate training, and improve data collection and accuracy. Metro could also consider utilizing an existing committee to take on this action, if one has already been established for investigating possible safety issues with systems and equipment.	10/31/2019	
27	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	6a	Metro should review safety barrier and de-escalation training to evaluate scope of attendees, frequency, content, method of delivery, consistency of delivery, and employee engagement and understanding. Results from these evaluations should be used to modify training programs as necessary.	10/31/2019	
28	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	6b	Consider adding both training classes as part of the new hire training course and periodic refresher training for current operators along with any other ongoing training requirements.	10/31/2019	
29	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	7a	Metro should continue to follow its current strategies and implement its current programs to prevent assaults on bus operators. These programs are consistent with industry best practices.	10/31/2019	
30	Operations	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	7b	Consider using some of the evaluation tools developed by TCRP to identify in more detail where its greatest risks reside and employ tactics such as targeted fare enforcement and policing patrols to address problem areas using existing resources.	10/31/2019	
31	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	1	The Metro SSLE Department should continue to work with contract law enforcement agencies to improve the complete and accurate reporting of crime that occurs on the Metro System.	Pending	
32	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	2	The Metro SSLE Department should continue to work to develop a more macro approach to oversight and monitoring of contracted law enforcement resources using the GPS function of the Mobile Phone Validators (MPV) assigned to contracted law enforcement personnel and the data generated from them.	Pending	
33	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	3	The Metro SSLE Department should consider providing more detailed information on reported crime to distinguish between violent crime and property and petty crime.	Pending	
34	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	4	The Metro SSLE Department should collect and report response time information for all three categories of calls for service.	Pending	

Appendix E

OIG Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
35	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	5	The Metro SSLE Department should use the GPS function and data generated to provide reliable and meaningful information on the amount of time contracted law enforcement officers spend on various parts of the Metro System.	Pending	
36	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	6	The Metro SSLE Department should work with the contract law enforcement agencies to review, revise and adopt Key Performance Indicators (KPI) including baseline or target levels of performance for each KPI.	Pending	
37	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	7	The Metro SSLE Department should continue to develop the Metro Community Policing plan and ensure it includes: Specific training in Problem Oriented Policing for law enforcement personnel to assist Metro in addressing matters related to crime and disorder Attendance at community meetings and other events designed to foster Metro's relationship with the community Protocols to obtain feedback from bus and rail managers that will be used in the overall policing strategy.	Pending	
38	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	8a	LAPD should continue monitoring the contract requirements to ensure all personnel meet the required certification and complete the transit policing training before working on any Metro assignments.	Pending	
39	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	8b	Metro SSLE Department should continue monitoring the contract requirements for qualifications and training of personnel to ensure compliance.	Pending	
40	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	9a	LAPD should submit the required payroll records with the monthly invoice.	Pending	
41	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	9b	Metro should continue to monitor LAPD's billings to ensure all the required supporting documents are submitted with the invoices.	Pending	
42	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	10a	LAPD should submit the list of maximum fully burdened hourly rates for each labor classification for overtime in accordance with the contract requirements. Also, the escalation rate included in the calculation of the maximum fully burdened hourly rates should not exceed the maximum escalation rate stipulated in the contract.	Pending	
43	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	10b	Metro SSLE Department should work with LAPD to ensure that the list of maximum fully burdened hourly rates complied with the contract requirements. Metro should also review the billing rates for overtime for all invoices to determine the extent of overbillings for FY 2018.	Pending	

Appendix E

OIG Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
44	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	11a	LAPD should submit the list of maximum fully burdened hourly rates for all labor classifications in accordance with the contract requirements. For any additional labor classifications not identified in the list of maximum fully burdened hourly rate, LAPD should submit a revised list to Metro for approval prior to incurring the cost.	Pending	
45	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	11b	Metro SSLE Department should continue to monitor LAPD's billings to ensure only the approved labor classifications are billed and included in the list of maximum fully burdened hourly rates. Metro should also review the billing rates for straight time for all invoices to determine the extent of overbillings.	Pending	
46	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	12a	LAPD should return the overbilled and overpaid amount of $3,874.99 to Metro.	Pending	
47	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	12b	Metro SSLE Department should continue monitoring LAPD's billings to identify and resolve billing discrepancies.	Pending	
48	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	13a	LAPD should submit the prevailing Cost Allocation Plan (CAP) rate together with the list of maximum fully burdened hourly rates for overtime.	Pending	
49	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	13b	Metro SSLE Department should continue to monitor LAPD's billings to ensure the overtime overhead rate billed was based on the CAP overhead rate approved by the Federal Government in effect at the time the work was performed.	Pending	
50	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	14a	LAPD should submit to Metro in a timely manner the monthly Summary of Problem-Oriented Policing projects.	Pending	
51	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	14b	Metro's SSLE Department should continue to monitor LAPD's submission of reports and stamp the date received on reports to ensure all the required reports are submitted in a timely manner and with complete information to allow Metro to determine the calculation of the reported figures.	Pending	
52	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	15a	LAPD should provide the equipment in the quantities listed in Exhibit E of the contract.	Pending	
53	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	15b	Metro SSLE Department should continue to monitor LAPD's equipment to ensure the quantities listed in Exhibit E of the contract are properly provided and in a timely manner.	Pending	

Appendix E

OIG Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
54	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	16a	LASD should continue monitoring the contract requirements to ensure all personnel complete the safety training and transit policing training before working on any Metro assignments.	Pending	
55	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	16b	Metro SSLE Department should continue monitoring the contract requirements for qualifications and training of personnel to ensure compliance with the contract.	Pending	
56	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	17a	LASD should issue an additional credit amount of $1,699.68 to Metro.	Pending	
57	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	17b	Metro SSLE Department should continue monitoring LASD's billings to ensure each job position meet the service levels promised on Form 575 and the billing rates are in compliance with the contract.	Pending	
58	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	18a	LASD should submit to Metro in a timely manner the report for number of cases referred for follow-up investigation and the subsequent disposition.	Pending	
59	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	18b	Metro SSLE Department should work with LASD to resolve any issues regarding the required reports. Also, Metro should continue monitoring LASD's submission of reports to ensure all the required reports were submitted in a timely manner and with complete information to allow Metro to determine the calculation of the reported figures.	Pending	
60	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	19a	LBPD should continue monitoring the contract requirements to ensure all personnel have completed the transit policing training before working on any Metro assignments.	Pending	
61	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	19b	Metro SSLE Department should continue monitoring the contract requirements for qualifications and training of personnel to ensure compliance.	Pending	
62	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	20a	LBPD should inform Metro the amount expected to exceed the estimated cost specified in the contract for each year before incurring the costs.	Pending	
63	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	20b	Metro SSLE Department should continue monitoring LBPD's billings, payments and contract amount to ensure that costs do not exceed the contract amount.	Pending	
64	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	21a	LBPD should submit the daily summary of assignments for all hours worked and payroll records with the invoices.	Pending	
65	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	21b	Metro SSLE Department should continue monitoring LBPD's billings to ensure all the required supporting documents were submitted with the invoices.	Pending	

Appendix E

OIG Open Audit Recommendations as of September 30 2019						
No.	**Area**	**Audit Number & Title**	**Rec. No.**	**Recommendation**	**Original Completion Date**	**Extended Completion Date**
66	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	22a	LBPD should return to Metro the overbilled and overpaid amount of $14,643.89.	Pending	
67	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	22b	Metro SSLE Department should continue to monitor LBPD's billings to ensure only the approved labor classifications are billed and included in the list of maximum fully burdened hourly rates. Metro should also review the billing rates for all invoices to determine the extent of overbillings for FY2018.	Pending	
68	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	23	Metro SSLE Department should review the billing methodology specified in the contract for equipment cost and determine whether the contract should be revised.	Pending	
69	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	24	Metro SSLE Department should continue monitoring LBPD's submission of reports to ensure all the required reports are submitted in a timely manner and with complete information to allow Metro to determine the calculation of the reported figures.	Pending	
70	System Security and Law Enforcement	19-AUD-08 Bus Operator Safety Barrier Use and Effectiveness Study	25	The SSLE Department should continue and complete efforts to develop key performance indicators for Metro Security during FY 2019.	Pending	