



Greater Cleveland
Regional Transit Authority

1240 West 6th Street
Cleveland, Ohio 44113-1302
Phone: 216-566-5100
riderta.com

MEETING NOTICE

Notice is hereby given that the following meeting of the Board of Trustees of the Greater Cleveland Regional Transit Authority will take place on **Wednesday, November 12, 2025**, in the Board Room of the Authority, 1240 West Sixth Street, Cleveland, OH 44113, for consideration of the listed items and such other items that may properly come before the Board and be acted upon. This meeting will be live streamed on RTA's Board Page www.RideRTA.com/board on the meeting date for staff and members of the public. Members of the public may attend in person.

The meeting package will be posted on RTA's website at (www.riderta.com/board), on RTA's Facebook page, and RTA's Twitter page.

9:00 A.M. **Audit, Safety Compliance & Real Estate Committee**

- Internal Audit Report – Presentation of 3rd Quarter 2025 Internal Audit Activities.

India L. Birdsong Terry
General Manager, Chief Executive Officer

IBT/bc
Attachment

Scan this QR code to access the meeting schedule, live streams and meeting materials.





AGENDA

AUDIT, SAFETY COMPLIANCE AND REAL ESTATE COMMITTEE

November 12, 2025

Committee Members: Mayor David E. Weiss, Chair
Ms. Emily Garr Pacetti, Vice Chair
Ms. Anastasia A. Elder
Mr. Jeffrey W. Sleasman

- I. Roll Call
- II. Approval of Minutes – August 12, 2025
- III. Internal Audit Report – Presentation of 3rd Quarter 2025 Internal Audit Activities.

Presenter(s):
 - Tony Garofoli, Executive Director, Internal Audit
 - Staff Auditors
- IV. Adjourn



Audit, Safety Compliance & Real Estate Committee Meeting

August 12, 2025

MEETING MINUTES

Committee Members: Mayor Weiss (Chair), Ms. Elder, Ms. Pacetti, Mr. Sleasman
Ms. Welch (Vice Chair)

Staff/Other: Shawn Becker, Nick Biggar, Randall Bowles, Janet Burney, Laura Crawshaw, George Fields, Bob Fleig, Anthony Garofoli, Rajan Gautam, Orlando Hudson, Chief Deirdre Jones, Lawrence Jupina, Sheila Miller, Charles Morgan, Holly Mothes, Mike Schipper, Andrew Scott, Wendy Talley, John Togher, Steven Zimmerman

Public: Terry McGrady

Mayor Weiss Called the meeting to order at 9:05 am with a roll call. Four (4) committee members were present representing a quorum.

A motion by Mayor Weiss, seconded by Mr. Sleasman to approve the minutes from August 5, 2025 and was unanimously approved.

Mayor Weiss called Mr. Garofoli, Executive Director, Internal Audit for the Internal Audit Report presentation of 2nd Quarter 2025 Internal Audit Activities.

Mr. Garofoli and his team presented a review of the Internal Audit Department's performance, compliance, and progress on several initiatives and projects. Mr. Garofoli opened by recognizing staff auditor Darren Garlock for achieving Certified Internal Auditor designation.

The agenda included three main sections: the Quality Assurance & Improvement Program (QAIP), updates on Railcar Replacement and Infrastructure Audit Activities, and the Quarterly Internal Audit Report.

Audit Manager Steven Zimmerman outlined the QAIP's alignment with 2024 Global Internal Audit Standards and its multifaceted approach, including internal reviews, client surveys, KPI tracking, and periodic external assessments. KPI results showed audit completion rates behind target (14% vs. 30%), with 53% of audits at least a month behind schedule, though most were delayed by only one month. Timeliness of reporting improved, and staff development remained on track toward 40 annual CPE hours. Client satisfaction calculations were refined to avoid misclassification, resulting in 80% satisfaction in Q2. Board members discussed whether cumulative or quarterly reporting would better convey progress and agreed refinement of targets might be warranted.

Mr. Zimmerman also reviewed the IIA Readiness Assessment, noting that of 11 corrective action plans needed for new standards, only three remain: publishing a theme report on Customer Experience (planned for Q3) and two pending items—Audit Strategy and the Administrative Procedure for Management Response—awaiting charter approval.

Ms. O'Donnell presented the Railcar Replacement Program audit update, covering Contract No. 2021-125 with Siemens Mobility for 24 base light rail vehicles plus options. Pre-award compliance audits were completed; post-award work includes project deliverable reviews, change order evaluations, and invoice reviews. The first painted car shell is complete, assembly is underway, and management is preparing a final option for up to 12 additional vehicles. No new change orders have been logged since the last report, and total contract value stands at \$308.4 million with 37% paid. Infrastructure projects tied to the program will be audited at their construction phases. FTA oversight continues with monthly meetings and domestic content monitoring. Board discussion focused on the process for potential change orders and the role of the Change Order Review Committee.

The Quarterly Audit Report summarized completed projects. Mr. Garlock reported on the On-Time Performance audit (marginally unsatisfactory) for 2024–2025 bus and rail, recommending adjustments to early-departure metrics, improvements in real-time information accuracy, and enhanced reporting. Ms. Crawshaw detailed the Fuel Expense audit for CNG and propulsion power (satisfactory), recommending independent verification of vendor maintenance; the Railcar Infrastructure Modification Designs audit (satisfactory), recommending expansion of master schedule practices to the full capital program; and Travel & Expense Reimbursement reviews, confirming compliance.

Projects in progress span multiple phases, including IT Equipment Inventory, Fare Collection, Fraud Risk Assessment, Paratransit Certification, and Windows 11 Upgrade. Several long-duration construction audits, such as the Fiber Optic Line Replacement and East Portal projects, are ongoing. Buy America audits are active for locomotive and railcar procurements.

Mr. Bowles reviewed Continuous Auditing activities, covering monthly testing for nepotism, purchasing card use, payroll, and revenue reconciliation, plus annual paratransit eligibility reviews. Variance between collected and deposited fares remains under 2%. A mobile ticketing reconciliation audit is in development, leveraging a new internal data warehouse.

Mr. Scott from IT provided updates on technology projects, including the Consolidated Train Dispatch System upgrade, Bid Dispatch system enhancements, disaster recovery improvements, paratransit scheduling upgrades, and future launch of the PASS mobility app. The IT Council is finalizing an AI usage policy and overseeing Auditor of State follow-ups. ERP replacement planning is underway alongside fare technology upgrades, ticket vending machine replacement, and account-based ticketing with fare capping.

Mr. Garofoli outlined special requests and emerging issues, including investigations into diverted vendor payments, student operator overtime, and change directives. External audit coordination with the State of Ohio Auditor, ODOT, and FTA remains active. Healthcare claims auditing procurement is in progress, and staff training continues toward annual targets.

A discussion on cybersecurity clarified differences between continuous auditing (internal audit scripts focusing on high-volume transactions) and IT's continuous monitoring tools, which block phishing and malware attempts. The agency blocks about 12% of weekly incoming emails as spam or phishing, with all such threats intercepted in the past three months. Board members emphasized the importance of tracking trends and ensuring strong coordination between operational monitoring and audit oversight.

The meeting concluded with no further questions, reaffirming the committee's commitment to rigorous oversight, risk management, and compliance assurance.

There being no further business to bring before this Committee, a motion to adjourn the meeting was moved by Mayor Weiss and seconded by Ms. Pacetti. The meeting was adjourned at 10:20 am.

Rajan D. Gautam
Secretary/Treasurer

Avis R. Lyons
Interim Executive Assistant