



TITLE/DESCRIPTION:	Resolution No.: 2026-15
AMOUNT: APPROVING THE 2026 INTERNAL AUDIT PLAN	Date: February 12, 2026
	Initiator: Internal Audit
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

1.0 PURPOSE/SCOPE: This action will approve the Greater Cleveland Regional Transit Authority's ("Authority") 2026 Internal Audit Plan, as required by Article IX, Section 5 of the Bylaws of the Greater Cleveland Regional Transit Authority ("Bylaws") and Sections 262.07(a) and (d) of the Codified Rules and Regulations of the Greater Cleveland Regional Transit Authority ("Code Book").

2.0 DESCRIPTION/JUSTIFICATION: In accordance with The Institute of Internal Auditors' Global Internal Audit Standards (GIAS) Standard 9.2 – Risk-based Planning (2024 Edition), the chief audit executive must establish and maintain a risk-based internal audit plan to determine the priorities of the internal audit activity, consistent with the organization's goals and risk profile. To develop the risk-based plan, the chief audit executive consults with senior management, the board, and other key stakeholders and obtains an understanding of the organization's strategies, key business objectives, associated risks, and risk management and governance processes. The chief audit executive must review and adjust the plan, as necessary, in response to changes in the organization's business, risks, operations, programs, systems, and controls.

The internal audit plan is intended to ensure that internal audit coverage adequately examines areas with the greatest exposure to the key risks that could affect the Authority's ability to achieve its objectives. The preparation of the plan consists of a five-step process, including the identification of audit areas, establishment of risk-based audit priorities, allocation of resources, development of audit schedules, and formulation of the annual plan. In accordance with The Institute of Internal Auditors' Global Internal Audit Standards, Internal Audit considered feedback from the Board of Trustees, the General Manager, Chief Executive Officer, executive management, and other key stakeholders in developing the risk-based internal audit plan. After Internal Audit met with the General Manager/Chief Executive Officer, and each member of executive management and others to review their business objectives and organizational goals, Internal Audit aligned the plan with the Authority's Strategic Plan and Success Outcomes.

3.0 PROCUREMENT BACKGROUND: Does not apply.

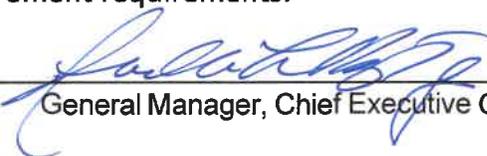
4.0 DBE/AFFIRMATIVE ACTION BACKGROUND: Does not apply.

5.0 POLICY IMPACT: Adoption of the resolution will result in the Authority having a 2026 Internal Audit Plan approved in accordance with the Authority's Bylaws, Code Book and the IPPF's Planning standard.

6.0 ECONOMIC IMPACT: Does not apply.

- 7.0 ALTERNATIVES: Not adopting the resolution would leave the Authority without an approved Internal Audit Plan for 2026.
- 8.0 RECOMMENDATION: On February 10, 2026, the Audit, Safety Compliance and Real Estate Committee reviewed and discussed the 2026 Internal Audit Plan and referred it to the full Board. It is recommended that the resolution be adopted, approving the 2026 Internal Audit Plan.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



General Manager, Chief Executive Officer

RESOLUTION NO. 2026-15

APPROVING THE 2026 INTERNAL AUDIT PLAN

WHEREAS, the Board of Trustees has been granted the power and authority, pursuant to Chapter 306 of the Ohio Revised Code, to manage and conduct the affairs of the Greater Cleveland Regional Transit Authority ("Authority"); and

WHEREAS, Article IX, Section 5 of the Authority's Bylaws provides that the Board of Trustees shall review and approve the internal audit plan; and

WHEREAS, Section 262.07(a) of the Authority's Codified Rules and Regulations ("Code Book") requires the Executive Director of Internal Audit to submit, at least annually, to the General Manager, Chief Executive Officer, executive management and the Board of Trustees a risk-based internal audit plan for review and approval; and

WHEREAS, Section 262.07(d) of the Code Book requires the Executive Director of Internal Audit to communicate to the General Manager, Chief Executive Officer, executive management and the Board of Trustees any significant interim changes to the internal audit plan; and

WHEREAS, the Executive Director of Internal Audit prepared an audit plan for 2026, consulted with and considered feedback from the Board of Trustees, the General Manager, Chief Executive Officer and executive management, in accordance with the professional standards of the Institute of Internal Auditors; and

WHEREAS, the Executive Director of Internal Audit has submitted the 2026 Internal Audit Plan to the General Manager, Chief Executive Officer and executive management; and

WHEREAS, the Executive Director of Internal Audit hereby submits the 2026 Internal Audit Plan for approval by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the 2026 Internal Audit Plan, which is substantially in the form of the attachment hereto, has been reviewed, and the Executive Director of Internal Audit is hereby directed to inform the Board of Trustees, General Manager, Chief Executive Officer and executive management of any significant interim changes to the 2026 Internal Audit Plan.

Section 2. That this resolution shall become effective immediately upon its adoption.

Attachment: Attachment A

Adopted: February 17, 2026



President

Attest: 

Secretary-Treasurer

**Greater Cleveland Regional Transit Authority
2026 Proposed Internal Audit Plan**

Project	Budgeted Hours	Audit Theme
<u>Advisory Projects</u>		
Change Order Committee	40	Financial Health
CISA External Dependencies Management Assessment	40	IT Governance
Customer Service Center - Consignment Analysis	20	Financial Health
Data Analytics	40	Financial Health
Fraud Risk Assessment	80	Financial Health
Global Internal Audit Standards Implementation	40	Employee Investment
Healthcare RFP	20	Financial Health
Information Technology Risk Assessment	80	IT Governance
Insurance Application Support	20	Financial Health
Natural Gas and Electricity Supply RFPs	40	Financial Health
Non-Destination Riders Advisory	40	Customer Experience
Operating Budget Advisory	80	Financial Health
Third-Party Risk Assessment	80	Financial Health
<u>Internal Audits</u>		
Accounts Payable*	40	Financial Health
ADA Stop Announcements*	40	Customer Experience
Blanket Purchase Agreements	160	Financial Health
Board Member & Employee Travel Expense Review	150	Financial Health
Business Process/Robotic Process Automation	200	Financial Health
CMSD Student Pass	200	Financial Health
CSU U-Pass	200	Financial Health
Customer Communication - Service Interruptions Follow-Up*	80	Customer Experience
Electronic Funds Transfer	80	Financial Health
Fare Collection*	80	Financial Health
Healthcare Claims Expense*	40	Financial Health
Independent Cost Estimates	160	Financial Health
Lost and Found Controls Review	120	Customer Experience
Nepotism File Audit*	40	Employee Investment
Non-Revenue Vehicles	200	Financial Health
Outage Scheduling*	120	Financial Health
Payroll Process	120	Financial Health
Physical Inventory	300	Financial Health
Power & Way Asset and Configuration Management*	160	Configuration Management
Predictive Maintenance*	160	Financial Health
PTASP - Hazard Log	120	Employee Investment
Purchasing Card Process*	120	Financial Health
Shelter Cleaning and Maintenance	140	Customer Experience
Skilled Labor Training	150	Employee Investment
System Security Plan - Spillman Upgrade	160	IT Governance
Ticket Vending Machine (TVM) Replacement	80	Financial Health
Transit Ambassador Follow-Up	120	Financial Health
Transit Police System Checks	120	Customer Experience
Travel Policy/Expenditures*	80	Financial Health
<u>External Audits</u>		
Financial Audit Support	40	Financial Health
FTA Project Management Oversight	40	Financial Health
FTA Triennial	40	Financial Health
State Safety Oversight Support	40	Financial Health

**Greater Cleveland Regional Transit Authority
2026 Proposed Internal Audit Plan**

Project	Budgeted Hours	Audit Theme
<u>Railcar Replacement</u>		
66C Brookpark Shop and Yard Tracks*	40	Community Impact
66C2 Brookpark Rail Shop Modifications*	40	Community Impact
66D Central Rail New Railcar Modifications Design	80	Community Impact
Buy America - Line Car Pre-Award	40	Community Impact
Buy America - Locomotive Post-Delivery*	60	Financial Health
Buy America - Railcar Post-Delivery/Domestic Content Monitoring	120	Community Impact
Buy America - Regulator Pre-Award	40	Community Impact
Buy America - Tamper Pre-Award	40	Community Impact
Railcar Commissioning	200	Community Impact
Railcar Replacement Project Electro-Mechanic Training	150	Employee Investment
<u>Information Technology Audits</u>		
Artificial Intelligence Policy	40	IT Governance
Off-Site Data Center Buildout	120	IT Governance
Change and Patch Management*	20	IT Governance
Cybersecurity	120	IT Governance
Fare Capping and Smart Card Implementation	160	Financial Health
Hastus Operator Performance Module*	20	Employee Investment
Identity and Access Management	40	IT Governance
IT Equipment Inventory*	40	IT Governance
Pass Upgrade/Mobility App*	80	Customer Experience
Swiftly Implementation	80	Customer Experience
Third-Party SOC Reports	120	IT Governance
<u>Continuous Audit</u>		
Continuous Audit New Script Development	200	Various
Nepotism Script	50	Employee Investment
Paratransit Script	20	Financial Health
Payroll Script	50	Financial Health
Purchasing Script	50	Financial Health
Revenue Script	50	Financial Health
<u>Contract Audits</u>		
12D Trunk Line Signal System Construction*	80	Community Impact
12H Consolidated Train Dispatch System*	80	Community Impact
23V4 Reconstruction of Shaker Square and Shaker Junction	80	Community Impact
24W Warrensville-Van Aken Station Reconstruction	80	Community Impact
24X E. 79th Light Rail Station Reconstruction	100	Community Impact
52N East Portal Construction*	80	Community Impact
60E E. 120th Substation Construction*	100	Community Impact
Buy America - Articulated Coach Purchase Post-Delivery	60	Community Impact
Buy America - CNG Coach Purchase Pre-Award	40	Community Impact
Buy America - Paratransit Vehicle Purchase Pre-Award	40	Community Impact
Tower City Common Area Maintenance	40	Financial Health
<u>Special Requests & Emerging Issues</u>	1000	

Greater Cleveland Regional Transit Authority 2026 Proposed Internal Audit Plan

Success Outcomes and Audit Themes:

GCRTA management developed four success outcomes with performance metrics to achieve the long-term strategic vision and action plan to guide everyday decision-making.

- I. *Customer Experience*
- II. *Community Impact*
- III. *Financial Health*
- IV. *Employee Investment*

In addition to these four success outcomes, the Internal Audit Department identified two additional agency priorities and high-risk areas to guide our audit plan development.

- V. *IT Governance*
- VI. *Configuration Management*

These six topics represent the six audit themes we prioritized for our 2026 annual audit plan. Our plan is designed to support management to achieve the business objectives through risk-based assurance audits and advisory engagements.

“The chief audit executive must create an internal audit plan that supports the achievement of the organization’s objectives” – Global Internal Audit Standards – Section 9.4 Internal Audit Plan

****2025 roll-forward engagements in progress***