Anthony A. Garofoli
Executive Director of Internal Audit
1240 West Sixth Street
Cleveland, Ohio 44113-1331
(216) 356-3106
anthony.garofoli@gcrta.org
Fraud/Waste/Abuse/Ethics Hotline
(216) 350-5130

Greater Cleveland Regional Transit Authority

February 15, 2018

George F. Dixon III, President, GCRTA Board of Trustees
Ms. Karen Moss, GCRTA Audit Committee Chairperson & Committee Members

Attached is the 2018 proposed internal audit plan, submitted for your approval.

Per the International Standards for the Professional Practice of Internal Auditing and the GCRTA Internal Audit Charter:

2012 – Planning

"The chief audit executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organization's goals."

We considered feedback from the Board of Trustees, the Executive Management Team, GCRTA management and employees, the Citizens Advisory Board and GCRTA customers.

The plan is the result of a five-step process. The process included the identification of audit areas, establishment of risk-based audit priorities, allocation of audit resources, development of audit schedules, and formulation of the annual plan.

Each audit project aligns with one or more of the (9) "Vital Few Objectives" from the 2016-18 GCRTA Strategic Plan:

1. Increase revenue and reduce expenses
2. Enhance fiscal responsibility
3. Expand advocacy
4. Enhance customer experience
5. Increase service efficiency
6. Achieve a State of Good Repair (SOGR)
7. Advance and improve technology
8. Achieve a safety culture
9. Improve employee development

The Internal Audit Department is an independent appraisal function established within the Authority to examine and evaluate its activities as a service to the Board of Trustees and management. The objective is to assist management in the effective discharge of their responsibilities. To this end, Internal Audit furnishes management with analyses, appraisals, recommendations, counsel and information concerning the activities reviewed. The audit objective includes promoting effective control at reasonable cost.

Anthony A. Garofoli – Executive Director, Internal Audit

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
INTERNAL AUDIT DEPARTMENT

2018 PROPOSED AUDIT PLAN

Project Name	Quarter	(Hours)	VFOs
Consulting			
Operations Audit Consulting	1	200	5,6
Third Party Risk Assessment	4	160	1,2
Continuous Auditing			
Accounts Payable	3	250	1,2
Accounts Receivable	3	250	1,2
Payroll Expense	2	400	1,2
Procurement Card	1	100	1,2
Revenue Collection	1	250	1
Contract Audits			
CNG Bus Purchase (33 Coaches)	3	80	4,5,6
East 116th Street Station	2	300	4,6,8
East 34th Street	1	200	4,6,8
Elevator/Escalator - Maintenance	3	250	1,4,5,6
Health Care Benefits	2	300	1,2
Marketing Consultant	4	200	1,2
Paratransit Vehicle Purchase	1	80	4,5,6
Red Line West Track Replacement	4	300	4,5,6
Supplemental Paratransit Service	2	400	1,4
Tire Lease	1	100	1,4,8
Tower City Track Replacement	4	300	4,5,6
Transit Police - Fill-in Pay	1	160	2
U-Pass Agreements	2	400	1
External Audits			
Financial Audit Support	1		2
Safety System Program Plan	4	320	4,8,9
System Security Plan	4	160	4,8,9
Information Technology Audits			
Customer Service Center - Point of Sale System	1	150	1,2
Facilities Access System Security	1	150	2,8
Human Resources Information System	3	300	1,2,7

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
INTERNAL AUDIT DEPARTMENT

2018 PROPOSED AUDIT PLAN

Project Name	Quarter	(Hours)	VFOs
Information Technology Audits (Cont.)			
Information Technology - Applications	1	200	7
Maintenance-Management System Upgrade	3	200	2,6,7
Paratransit System Upgrade	2	200	1,4,5,8
Radio System - Replacement	4	200	6,7,8
Internal Audits			
Absence Control	2	350	1,2
Accrued Leave	1	600	1,2
Customer Service Center - Fare Media	2	100	1,2
ESMS ISO 14001 Conformance Audit	2	320	2
ESMS ISO 14001 Program Update	1	40	1
Fare Media Document Inventory/Distribution	1	100	2
Fuel Hedging Program	2	200	1,5
Paratransit Eligibility/Certification	1	100	1,3,5
Petty Cash	2	40	1
Procurement Review	2	200	2
Travel Reimbursement	1	100	1
Uniform Allowance	1	200	1
Vehicle Warranty Program	2	200	1,6
Revenue Audits			
Farebox Inventory	3	400	1,2
Mobile Ticketing	1	200	1,4,5
Municipal Court - Receipts	1	200	1
Sales Agent - Accounts Receivable	2	200	1,2,4
Tower City - Customer Service Center Rehabilitation	2	20	1,4
Audit Recommendation Tracking & Follow-up			(All)
Fraud, Waste, Abuse Hotline			1,2
Special Requests & Emerging Issues		1500	