

A low-angle, close-up photograph of a white and blue Sound Transit train. The train is moving from left to right, with its windows and doors visible. The blue stripe on the side of the train is prominent. The background shows a station platform with a glass roof structure.

Internal Audit Division Quarterly Update

Audit and Reporting Committee

Sept. 20, 2018

 **SOUNDTRANSIT**

Internal Audit Update

- Internal Audits Completed
- Internal Audits In Progress
- Update on the 2018 Performance Audit

The image shows the front of a white bus with a wheelchair lift extended. The bus has a wheelchair symbol on the top left of the windshield. The lift is a metal frame with a seat and a handrail. The bus number '9643K' is visible on the right side of the front panel. The entire image is overlaid with a blue tint. The text 'Internal Audits Completed' is written in white, sans-serif font across the middle of the image.

Internal Audits Completed

Audits Completed

- System-wide Custodial and Landscaping Services
- Noncompetitive (i.e., sole sourced) Procurement

Audits Completed – System-wide Custodial and Landscaping Svcs.

Audit Objective

To determine whether the agency has effective controls to ensure:

- Proper reviewing of custodial/landscaping service payments for accuracy and reasonableness
- Proper monitoring of custodial/landscaping services providers' performance in accordance with contract terms and conditions

Audit Conclusion

The agency has effective controls to ensure proper reviews of payments and monitoring of services providers' performance.

Audits Completed – Noncompetitive Procurement

Continue on next page

Audit Objective

To determine whether the agency has effective controls to ensure:

- Adequate consideration was given during contract procurement to noncompetitive contracts that could potentially stem from the original contract.
- All noncompetitive contracts including emergency and proprietary procurements are properly classified with approval and sufficient documentation.
- Financial change orders to noncompetitive contracts are proper and in accordance with ST policies and procedures.
- Noncompetitive contract reporting to ARC/Board is complete & accurate.

Audits Completed – Noncompetitive Procurement

Continued

Audit Conclusion

Management has effective controls over noncompetitive change orders and reporting. However, the controls to ensure the proper use of noncompetitive contracts are not working effectively as designed.

One Finding

- Checks and balances to review noncompetitive procurement requests are ineffective.

The image shows the front of a white bus with a wheelchair lift extended. The bus has a wheelchair symbol on the top left of the windshield. The lift is a metal frame with a seat and handrails, positioned in front of the bus. The entire image is overlaid with a blue tint. The text "Internal Audits in Progress" is written in white, sans-serif font across the middle of the image.

Internal Audits in Progress

Audits in Progress

- Asset Disposal
- Small Capital Project Management
- Change Orders From Design Errors and Omissions
- U830 EC/CM Close-Out Audits

A blue-tinted photograph of the front of a bus. The bus has a wheelchair lift extended from its front. A white wheelchair symbol is visible on the upper left of the windshield. The number '9643K' is partially visible on the right side of the bus. The text '2018 Performance Audit Update' is overlaid in white on the left side of the image.

2018 Performance Audit Update

2018 Performance Audit Update

- The 2018 Performance Audit on Project Controls During Construction
 - Completed the consultant selection process
 - Waiting to issue Notice to Proceed

The image features a dark grey horizontal banner across the center. On the left side of the banner is the Sound Transit logo, which consists of a white stylized 'S' and 'T' symbol. To the right of the logo, the words 'SOUNDTRANSIT' are written in a bold, white, sans-serif font. Below 'SOUNDTRANSIT', the slogan 'RIDE THE WAVE' is written in a smaller, white, sans-serif font. The background of the entire image is a close-up of a transit vehicle with a white upper section and a blue lower section, separated by a wavy teal and blue graphic. The vehicle has several dark windows and some small white signs.

SOUNDTRANSIT
RIDE THE WAVE