



EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE

April 17, 2008

**SUBJECT: OFFICE OF THE INSPECTOR GENERAL/ETHICS ACTIVITIES
REPORT**

ACTION: RECEIVE AND FILE

RECOMMENDATION

Receive and file Office of the Inspector General (OIG) and Ethics Activities Report.

ISSUE

The Board of Directors instructed the OIG and Ethics Department to report quarterly on activities.

BACKGROUND

Since the Chief Ethics Officer was appointed Acting Inspector General in November 2007, we have combined the reports of both offices into a single report for simplicity of the agenda.

DISCUSSION

A. Office of the Inspector General

1. For the 3rd Quarter of FY 2008, the OIG Audit Unit started seven projects and issued five audit reports:
 - Audit of Computer Network User Access
 - Audit of MTA Miscellaneous Expenses for the Period April 1, 2007 to June 30, 2007
 - Access Services Related Audits
 - Audit of Access Services Incorporated: Evaluation of the Paratransit Eligibility Process; Administration, Performance, and Management of Paratransit Operations; and Compliance with Memorandum of Understanding

- Results of a Survey of Individuals Completing the Access Services Incorporated ADA Paratransit Eligibility Process
 - Results of a Survey of Riders on Access Services Incorporated ADA Paratransit Services
2. On March 20, 2008, the OIG briefed the Executive Management and Audit Committee on the results of the Board directed audit of Access Services Incorporated.
 3. As of March 31, 2008, the Audit Unit is on schedule to meet the number of new audit starts in the FY 2008 Audit Plan.
 4. During the 3rd Quarter of FY 2008, the Investigations Unit opened 36 cases. Six of these cases were related to one matter.
 5. A peer review of the Investigations Unit was completed in March. We are analyzing the results and are working to implement the recommendations.
 6. On March 5, 2008, the OIG announced a new program where Metro departments may request investigation assistance. The intent of this program is to assist the requesting department expedite its investigation or similar matters while maximizing the quality, depth, and thoroughness of the final product. OIG personnel have been assigned to the Investigation Services Group that will provide these services. As of March 31, 2008, we have received three requests for these services.
 7. The Investigations Unit developed a 2 hour training class on interviewing techniques. This class is intended for Metro employees whose duties include conducting interviews to gather data. The first class was held in January for Ethics and Special Investigations Unit staff, and a second class is scheduled for April 17 for other departments. An invitation was sent out about this class to interested departments on March 31.
 8. The OIG purchased a low cost audio training seminar on Planning, Performing, and Reporting Single Audits to complete required professional training at a low cost. This training was completed on April 2nd and involved the first collaboration of what should be many between OIG and MAS staff.

B. Ethics Department

1. During the 3rd Quarter of FY 2008, the Ethics Department opened 35 ethics advice matters.
2. The Ethics Department completed the annual California Form 700 (Statement of Economic Interest) filing. We are now in the process of contacting any late filers.

3. The annual lobbyist renewal process was successfully completed and resulted in \$13,020 revenue to the general fund. During the quarter, 465 renewals and 15 new registrations were completed, and the Electronic Fund Transfer feature was launched for the lobbyist system to enable on-line payment that is safer than the use of credit cards.
4. The Ethics Department completed required training in preparation to commence parking citation appeal hearings.
5. In March, the Ethics Department made two presentations at Vendor Fair work shops to prospective Metro contractors.
6. The Acting Inspector General/Chief Ethics Officer attended a free 2 day conference in March that covered Ethics and Inspector General issues of interest to government entities.
7. Preliminary budget planning for FY 2009 was conducted and adjustments were made for both the Ethics Department and OIG and sent to OMB. Some of the budget adjustments will result in reduced costs for the OIG beginning March 1, 2008.

Prepared by: Jack Shigetomi, Deputy Inspector General for Audits

Handwritten signature of Karen Gorman in cursive script, followed by the initials "(mj)" in parentheses.

KAREN GORMAN

Acting Inspector General/Chief Ethics Officer