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Metropolitan Transportation Authority

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**EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE**  
**July 17, 2008**

**SUBJECT: OFFICE OF INSPECTOR GENERAL (OIG)  
AUDIT ACTIVITIES REPORT**

**ACTION: RECEIVE AND FILE**

**RECOMMENDATION**

Receive and file OIG Audit Activities Report.

**ISSUE**

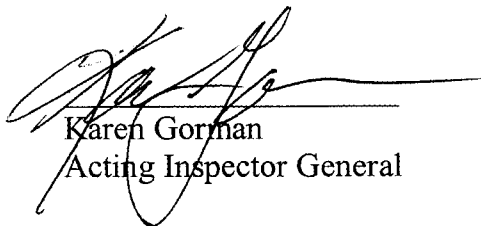
The Board of Directors instructed the OIG to report quarterly on activities.

**DISCUSSION**

1. For the 4th Quarter of FY 2008, the OIG Audit Unit started six projects, issued three final audit reports, and issued two draft reports:
  - Final Report: Audit of MTA Miscellaneous Expenses for the Period October 1, 2007 to December 31, 2007 (Report No. 08-AUD-09, May 30, 2008). This report found no reportable conditions.
  - Final Report: Follow-up Review on Bus Operations Customer Complaints and Comments Program (08-AUD-05, May 29, 2008). In response to a recommendation in this report, Metro implemented controls that ensure resolution codes for customer complaints are correctly recorded.
  - Final Report: Audit of MTA Miscellaneous Expenses for the Period July 1, 2007 to September 30, 2007 (Report No. 08-AUD-06, April 4, 2008). This report found no reportable conditions.
  - Draft Report: Bus Inspections. This report contains four recommendations to ensure that defects found during inspections are corrected and the number of buses placed out-of-service is minimized.

- Draft Report: Fueling Non-Revenue Vehicles. This report contains two recommendations to strengthen controls and enforce the use of the automated fueling system to record key vehicle and employee information.
2. For FY 2008, we completed 17 of the 20 (85%) projects on the audit plan. One project was rescheduled because of a priority audit requested by the Board; Metro management requested a delay on another; and on the third project, was deferred to avoid duplication with MASD. In addition to the planned audits, during the year, we started additional 8 projects.
  3. During the 4th Quarter of FY 2008, the Investigations Unit opened 21 cases. Eleven of these cases required substantive investigative work. The other 12 of the 21 cases opened in the 4<sup>th</sup> Quarter were closed.
  4. We procured and began use of a case management computer program for the Investigations Unit to better track investigations progress and have more accountability.
  5. The OIG began a new program where Metro departments may request investigation assistance. The intent of this program is to assist the requesting department expedite its reviews and evaluations or trial preparation 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. In the 4<sup>th</sup> Quarter, we have received three requests for these services.
  6. The OIG streamlined its budget, implemented some cost cutting measures, and made reductions totaling \$9,841.
  7. The OIG evaluated its “greenness” in its operations and found it is using all generally available means of recycling and other measures but will continue to look for those opportunities.
  8. The OIG began a risk assessment process for better audit and work plans in FY09.

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