



Working Session of the  
**Audit Review Committee**

of the Board of Trustees of the Utah Transit Authority  
**Wednesday, January 10, 2018, 2:00 – 3:00 p.m.**  
Frontlines Headquarters, Golden Spike Rooms, 669 West 200 South, Salt Lake City

Members of the public are invited to attend all committee meetings, and public comment may be taken at the discretion of the committee chair. If public comment is not taken at the committee meeting, the public will be able to review and provide comment via [www.rideuta.com](http://www.rideuta.com) on all action items prior to the next full Board of Trustees meeting. If public comment is taken at the committee meeting, in order to be considerate of time and the agenda, comments will be limited to 2 minutes per individual, or 5 minutes for a spokesperson designated to represent a group.

**Committee Members:** *Troy Walker, Committee Chair*

Jeff Acerson

Jeff Hawker (excused)

Gina Chamness

**Agenda**

- |   |                   |
|---|-------------------|
| 1. <b>Safety First Minute</b>   | Dave Goeres       |
| 2. <a href="#"><u>Approval of October 16, 2017 Audit Meeting Report</u></a> | Troy Walker       |
| 3. Chief Internal Auditor Quarterly Report                                  | Riana De Villiers |
| 4. <a href="#"><u>2018 Internal Audit Plan</u></a>                          | Riana De Villiers |
| 5. Other Business   | Troy Walker       |
| a. Liaison, Conference & External Committee Reports                         |                   |
| 6. Adjourn  |                   |

# Heads Up! Ear Phones Out!



**UTAH TRANSIT AUTHORITY BOARD OF TRUSTEES**  
**Agenda Item Coversheet**

<b>DATE:</b>	January 10, 2018
<b>AGENDA ITEM:</b>	Committee Report Approval
<b>CONTACT PERSON(S):</b>	Riana de Villiers
<b>SUBJECT:</b>	Audit Review Committee Report
<b>BACKGROUND:</b>	The minutes are being distributed to the committee for review and approval
<b>ALTERNATIVES:</b>	<ul style="list-style-type: none"><li>• Approve as presented</li><li>• Amend and approve</li><li>• No action</li></ul>
<b>EXHIBITS:</b>	<ul style="list-style-type: none"><li>• 10-16-17 AUD Meeting Report</li></ul>



Report of the Audit Review Committee Meeting  
of the Board of Trustees of the Utah Transit Authority (UTA)  
Monday, October 16, 2017  
FrontLines Headquarters, 669 West 200 South, Salt Lake City, UT

**Committee Members in Attendance:**

Troy Walker, Committee Chair  
Jeff Acerson

Gina Chamness (excused)  
Jeff Hawker (excused)

**Other Board Members in Attendance:** Dannie McConkie

**Staff:** Jerry Benson, Riana DeVilliers, Rebecca Cruz, Annette Royle, Bob Biles, Dave Goeres

**Call to Order**

**Troy Walker**

Chair Walker called the meeting to order at 2:05 p.m. Quorum is present. Dannie McConkie was asked to actively participate in the committee meeting by Chair Walker.

**1. Safety First Minute**

Chair Walker yielded the floor to Dave Goeres, UTA Chief Safety, Security & Technology Officer, for a brief safety message.

**2. Approval of the April 12, 2017 Audit Review Committee Report**

**Troy Walker**

A motion to approve the April 12, 2017 meeting report was made by Trustee Acerson. Motion seconded by Trustee Walker. Minutes approved by unanimous consent.

**3. Internal Audits Reports**

**Riana DeVilliers**

Riana de Villiers, Chief Internal Auditor, presented the third quarter, 2017 Audit Report to the Trustees. These executive summary reports distributed to the committee in advance and posted to [www.rideuta.com](http://www.rideuta.com) & [Utah.gov](http://Utah.gov) included the following:

• **ERP Information Technology General Controls**

- User Procedures
- Data Security
- System Development and Programming
- Change Management
- Application Support
- Third Party Service Providers

• **Procurement Management**

- Bidding Process
- Contract Management
- Procurement Process

• **Purchase Card Compliance**

- Issuing of Purchase Cards

- Monitoring of Purchase Cards
- Closing/Rescinding of Purchase Cards

The Introduction, objectives and scope were reviewed for each report with the audit conclusions presented.

Ms. De Villiers also noted that the Audit Review Committee is on track to have projected audits completed by the end of the year.

#### **4. Closed Session**

No closed session was held

#### **5. Action Taken Regarding Matters Discussed in Closed Session**

None

#### **6. Other Business**

No other business was discussed and the next committee meeting has not been scheduled.

#### **7. Adjourn**

Motion to adjourn made by Trustee Acerson. Motion was seconded by Trustee McConkie. Meeting adjourned at 2:40 p.m.

**Troy Walker**

Transcribed by Teri Black  
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**UTAH TRANSIT AUTHORITY BOARD OF TRUSTEES**  
**Agenda Item Coversheet**

<b>DATE:</b>	January 10, 2018
<b>AGENDA ITEM:</b>	Chief Internal Auditor Quarterly Report
<b>CONTACT PERSON:</b>	Riana de Villiers – Chief Internal Auditor
<b>SUBJECT:</b>	Chief Internal Auditor Quarterly Report
<b>BACKGROUND:</b>	<p>The International Standards for the Professional Practice of Internal Auditing directs that Internal Audit should communicate to the Board of Trustees on Internal Audit's activities in relation to the execution of the audit plan.</p> <p>The Chief Internal Auditor will provide a verbal update.</p>
<b>BOARD STRATEGIC FOCUS ALIGNMENT:</b>	All
<b>EXHIBITS:</b>	<ul style="list-style-type: none"><li>• none</li></ul>

**UTAH TRANSIT AUTHORITY BOARD OF TRUSTEES**  
**Agenda Item Coversheet**

<b>DATE:</b>	January 10, 2018
<b>AGENDA ITEM:</b>	2018 Internal Audit Plan
<b>CONTACT PERSON:</b>	Riana de Villiers – Chief Internal Auditor
<b>SUBJECT:</b>	2018 Internal Audit Plan
<b>BACKGROUND:</b>	The International Standards for the Professional Practice of Internal Auditing require that the Internal Audit Plan be based on a risk assessment, undertaken at least annually, with consideration from senior management and the board as part of the process. The standards also require the Chief Internal Auditor to communicate Internal Audit's plan to the Audit Committee for review and approval.
<b>BOARD STRATEGIC FOCUS ALIGNMENT:</b>	All
<b>EXHIBITS:</b>	<ul style="list-style-type: none"><li>• 2018 Internal Audit Plan</li></ul>



# 2018 UTA Internal Audit Plan

Riana de Villiers  
Chief Internal Auditor



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# Risk Assessment Process

- Business Risk Model designed in 2015
- Identified potential risks facing the organization
  - Requested input from Board of Trustee members, Executives, Senior Managers, and Directors
  - Compiled risk registers based on input received
  - Discussion with Executives on risks identified
- Resulted in identification of top 15 risks
- Defined Internal Audit Plan based on risk assessment

# Risk Map to True Norths

2018 True Norths	Objectives	Planned audits
Service	We provide a high quality transit network that meets the needs of our customers	<ul style="list-style-type: none"> <li>• Operating and Ridership finalization</li> <li>• Vanpool finalization</li> </ul>
People	Employees are our most valuable resource	<ul style="list-style-type: none"> <li>• Payroll</li> </ul>
Environment	We are leaders in improving our environment	<ul style="list-style-type: none"> <li>• Three external audits</li> </ul>
Community	We connect communities	<ul style="list-style-type: none"> <li>• National Transit Database Reporting finalization</li> </ul>
Stewardship	We are responsible with the resources entrusted to us by the public	<ul style="list-style-type: none"> <li>• Grants Management</li> <li>• Accounts Payable</li> <li>• Inventory Management finalization</li> <li>• Treasury finalization</li> <li>• Cash Office</li> </ul>

*Assurance on IT risks regarding network and system vulnerabilities and software licensing compliance will be provided by third parties. IT systems and software that supports functions being audited will form part of the internal audit scope.*

**Thank you**