



BOARD OF DIRECTORS

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

AUDIT COMMITTEE

THURSDAY, MARCH 23, 2023

ATLANTA, GEORGIA

MEETING MINUTES

1. CALL TO ORDER AND ROLL CALL

Vice Chair Freda Hardage called the meeting to order at 10:14 A.M.

Board Members Present:

William Floyd
Jim Durrett
Roderick Frierson
Freda Hardage
Al Pond
Rita Scott
Thomas Worthy
Jannine Miller

Board Members Absent:

Stacy Blakley
Russell McMurry
Kathryn Powers
Roderick Mullice
Valencia Williamson
Jennifer Ide
Jacob Tzegaegbe

Staff Members Present:

Collie Greenwood
Raj Srinath
Jonathan Hunt
Rhonda Allen
Carrie Rocha

Also in Attendance:

Leah Ward Sears
Emil Tzanov

Dean Mallis
Paula Nash
Jacqueline Holland
Kenya Hammond
Tyrene Huff

2. APPROVAL OF THE MINUTES

Approval of the November 18, 2022, minutes. On a motion by Board Member Durrett, seconded by Board Member Pond, the motion passed by a vote of 6 to 0 with 6 members present.

3. BRIEFINGS

Q2/FY23 Internal Audit Activity

Information Security Update

4. OTHER MATTERS

None

5. ADJOURNMENT

The Committee meeting adjourned at 10:59 A.M.

Respectfully submitted,



Tyrene L. Huff
Assistant Secretary to the Board



Internal Audit Activity Briefing

Q2 / FY23 (Oct. 1 – Dec. 31, 2022)

Operational Group Audits

Q2 / FY23

Audit Title	Audit Report Issue Date	Audit Engagement Rating	Audit Project Status	Significant Findings				Moderate Findings			
				Total	Closed	In Process	Past Due	Total	Closed	In Process	Past Due
Excessive Absenteeism Investigation & Bus Operator Availability Analysis (Interim Report)	12/30	High	Completed	3	-	3	-	-	-	-	-
				<ul style="list-style-type: none"> - Absence of written policies and procedures to specifically address excessive absenteeism by represented employees. - HRIS and Bus Operations bus operator availability reports do not reconcile - No documented definition exists for "bus operator availability" and how it should be calculated 							
Direct Pay Process	TBD	TBD	Planning	-	-	-	-	-	-	-	-
Non-Revenue Vehicle Fuel Use	TBD	TBD	Planning	-	-	-	-	-	-	-	-
TOD Process	TBD	TBD	Planning	-	-	-	-	-	-	-	-
Total Significant & Moderate Findings:				3	-	3	-	-	-	-	-

Prior Operational Audits with Open Significant Findings

Audit Title	Audit Report Issue Date	Audit Engagement Rating	Audit Project Status	Significant Findings				Moderate Findings			
				Total	Closed	In Process	Past Due	Total	Closed	In Process	Past Due
Bus Maintenance	9/30/21	Needs Attention	Completed	1	1	-	-	1	1	-	-
<i>- Predictive maintenance inspections not always completed on-time (Closed)</i>											
Capital Improvement Program Follow-up	1/15/21	Needs Attention	Completed	28	19	9	-	-	-	-	-
Capital Projects – Soft Cost	9/30/22	Needs Attention	Completed	-	-	-	-	2	-	2	-
On-Line Invoice System 'OLIS'	9/30/22	Needs Attention	Completed	2	-	2	-	-	-	-	-
Total Significant & Moderate Findings:				31	20	11	-	3	1	2	-

IT Group Audits

Q2 / FY23

Audit Title	Audit Report Issue Date	Audit Engagement Rating	Audit Project Status	Significant Findings				Moderate Findings			
				Total	Closed	In Process	Past Due	Total	Closed	In Process	Past Due
3rd Party IT Risk Management	12/06/22	High Risk	Completed	4	-	4	-	3	-	3	-
Identity and Access Management Audit	TBH	TBD	Fieldwork	-	-	-	-	-	-	-	-
IT Support of Critical Enterprise Applications and Systems Audit	TBH	TBD	Fieldwork	-	-	-	-	-	-	-	-
Total Significant & Moderate Findings:				4	-	4	-	3	-	3	-

Prior IT Audits with Open Findings

Audit Title	Audit Report Issue Date	Audit Engagement Rating	Audit Project Status	Significant Findings				Moderate Findings			
				Total	Closed	In Process	Past Due	Total	Closed	In Process	Past Due
Oracle Disaster Recovery	09/29/22	High Risk	Completed	3	-	3	-	2	-	2	-
TCSN Pen-Test Findings Remediation Review	06/30/22	High Risk	Completed	10	4	-	6	6	1	-	5
Enterprise Pen-Test Findings Remediation Review	04/15/22	High Risk	Completed	5	4	-	1	5	4	-	1
Cybersecurity – PCs, Email and Internet	06/24/19	High Risk	Completed	5	3	-	2	4	3	-	1
Total Significant & Moderate Findings:				23	11	3	9	17	8	2	7

Contract Group Audits

Q2 / FY23

Contract Audits Completed

Audit Ratings	No. of Audits Issued
Low Risk	35
Needs Attention	1
High Risk	1
Total Audits Issued	37

Contract Audits In Progress

Audit Types	
Interim / Close Out	1
Rate Reviews	13
Cost / Price Analysis	4
Change Orders	1
Total Contract Audits in Progress	19

- ✓ Identified Unallowable Cost in Overhead Rate Reviews as per Federal Acquisition Regulation (FAR) **None this period**
- ✓ Identified Unsupported in Cost/Price and Change Order Reviews **\$3,186,179**

Fraud, Waste, & Abuse (“FWA”) Summary

Previously Reported Investigations

- Investigation #23-01-I-9
Status: Management reviewed this issue and determined that no disciplinary action was required.
(Closed)

Newly Reported Allegations

- None



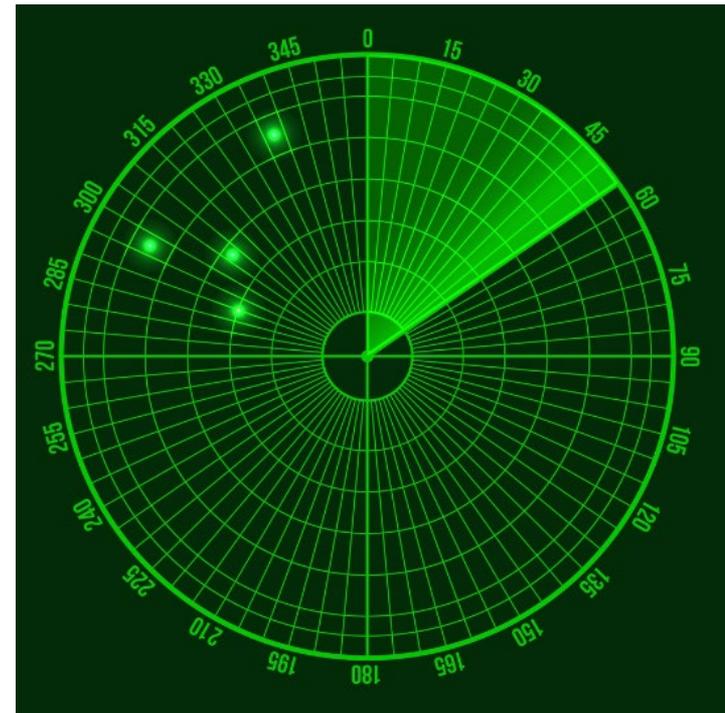
On the IA “Radar Screen”

May Audit Committee Meeting

- Presentation of the MARTA Internal Audit Plan for FY24
- Crowe LLP briefing – FY23 Annual External Financial Audit Plan

Emerging Risks

- Cyber: Critical Infrastructure , TikTok
- Recent commercial railroad derailments







Information Security Update

March 2023



Information Security Update March 2023

Cyber security is understanding, managing and mitigating the risk of our critical assets being disclosed, altered or denied access to.



Information Security Update March 2023

Implementations:

- Board approval items
 - 24/7/365 monitoring implementation completed.
 - Vulnerability management setup completed.
- Penetration Testing
 - Intermediate Design Review Completed New Rail Car
 - Meeting with project team to go over report.
 - Current Rail Car Pentest Underway.
 - Enterprise applications/cloud FY 23 Q4
- Initiative
 - PCI (payment card industry) preparation has started while we solicit for a new QSA (Qualified Security Assessor)
 - Privileged Account Management.
 - Third Party Risk.
 - Cloud Security.



THANK YOU

Moving Cybersecurity Throughout the Authority