



Annual Risk Refresh and Proposed FY 2025 Audit Workplan

Governance & Audit Report No. 2024-9

Report Issued January 08, 2025

Executive Summary

Background

The Governance & Audit function was formalized at IndyGo in 2019. Governance & Audit (G&A) aims to be a collaborative, strategically focused and cross-functional solution for process improvement and risk mitigation.

Our goal is to both help improve processes across the agency as well as identifying and supporting staff efforts to remediate internal control weaknesses.

The FY 2025 Internal Audit Work Plan approved by the Governance and Audit Committee included a refresh of the current risk assessment. The results of the risk assessment refresh allow us to design a forward-looking work program that is both proactive and reactive, and which considers the full spectrum of risks illustrated below.



Objective and Scope

Our risk assessment process included:

- Interviews with management and Board of Director members
- Assessment of trends and observations from our prior reports
- Consideration of national transit issues and related risks

Input was received from every functional department across the agency, including operations, finance, technology, capital projects, legal, and HR/benefits. We sought perspectives on agency-wide risks, external risks, and threats to IndyGo’s mission and objectives.

Our goal in compiling the following Heat Map was to provide the holistic risk universe relevant to IndyGo. Accordingly, certain risk areas may be more easily auditable, while others less so.

To rank the specific risk areas, we leveraged three primary filters:

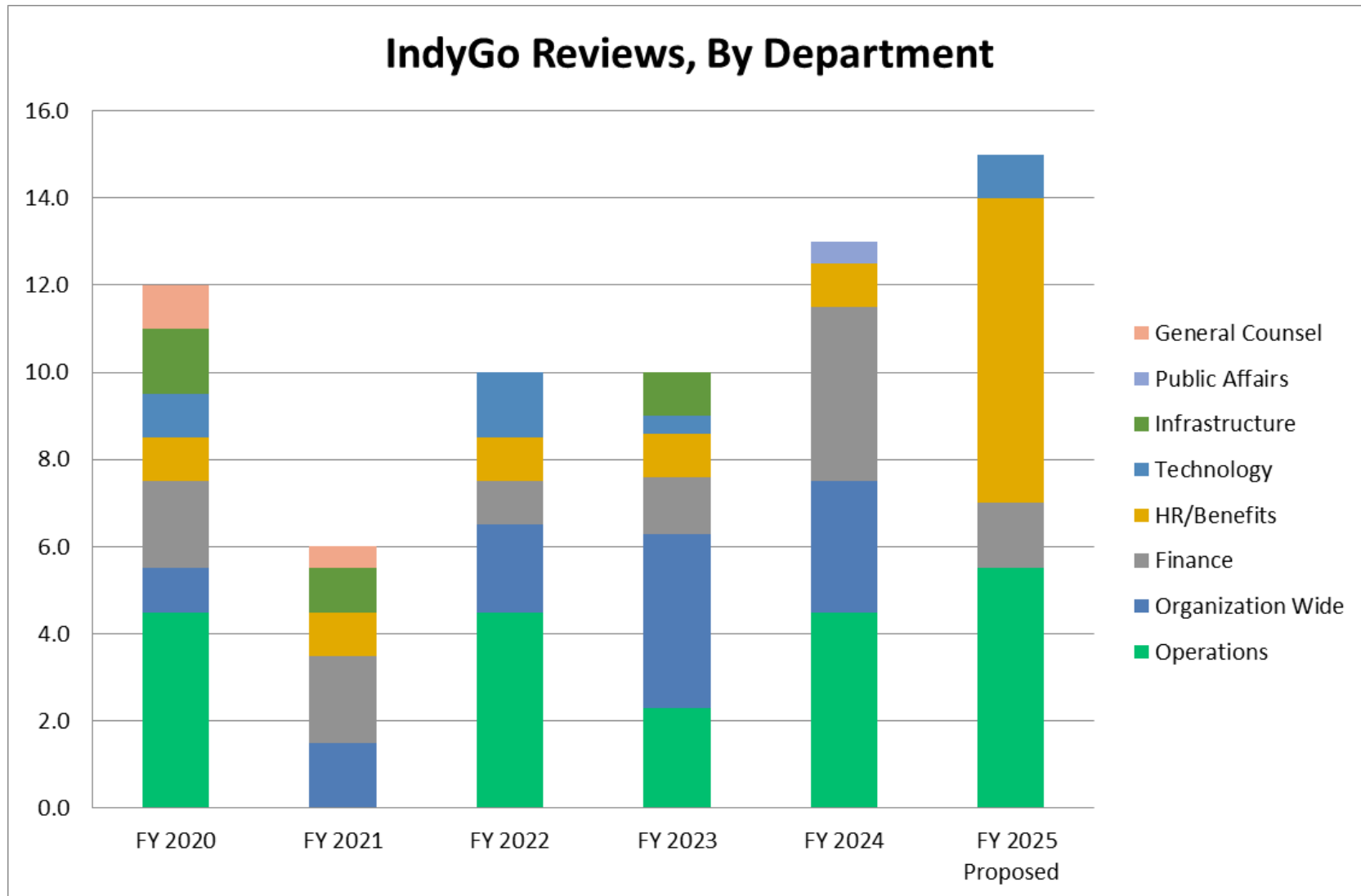
- Our understanding of IndyGo and its operating environment
- Our subject matter expertise in the public transit space
- Our experience in internal audit and enterprise risk

Overall Summary

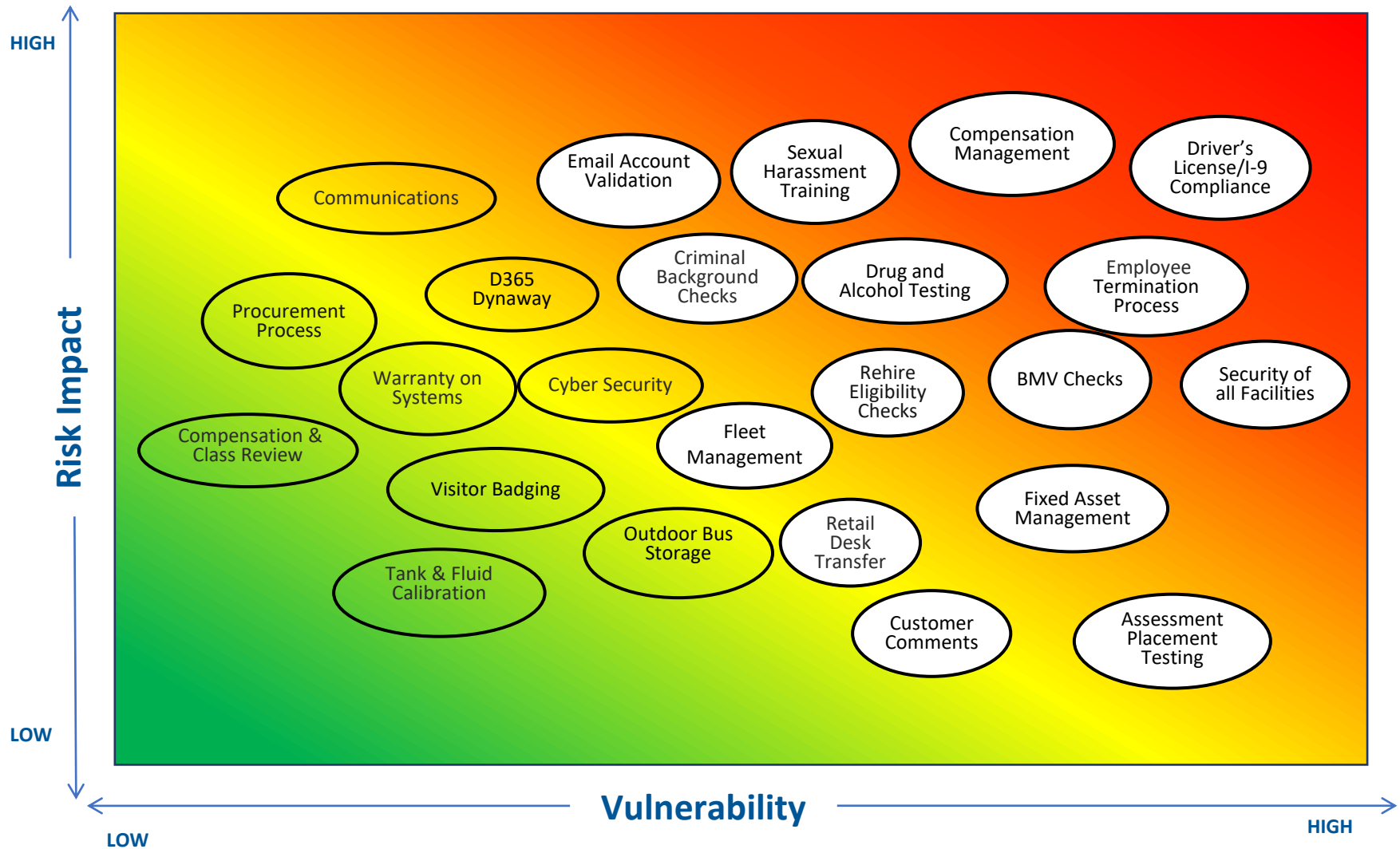
The Heat Map and resulting Work Plan presented on the following pages represent the result of this risk assessment refresh. Appropriate attention toward managing these risks in the near term will be critical to the continued success of the agency.

We would like to thank IndyGo staff and all those involved in assisting us in connection with this risk assessment refresh. Questions should be addressed to the IndyGo Department of Governance and Audit at batkinson@indygo.net.

IndyGo Audits, By Year and Department



Heat Map and FY 2025 Proposed Audits



- FY 2025 to be completed by audit projects are shaded in white



FY 2025 Proposed Internal Audit Workplan

Area	Description
1. Driver's License & I-9 Compliance Review	<ul style="list-style-type: none">• Determine compliance guidelines and determine if IndyGo is following the guidelines.• Is the required documentation being collected and maintained for each employee?• What document storage method is being used for employee I9 identifications?
2. Employee Termination Process	<ul style="list-style-type: none">• Is there a termination checklist?• ADP auto notification for initiation of a termination: Who receives compared to who should receive?• Fleet notification of terminations for fuel dispensing system.• Terminated trainees removed from Payroll sheets.• Exit interviews, who is offered an interview?
3. Sexual Harassment Training	<ul style="list-style-type: none">• How often is Sexual Harassment Training held at IndyGo?• Who is expected to take sexual harassment training?• What percentage of staff is trained?

FY 2025 Proposed Internal Audit Workplan (continued)

Area	Description
<p>4. Compensation Management Plan</p>	<ul style="list-style-type: none"> • Timecard approval – Are all supervisors adequately reviewing timecards before approving them? • Are employees receiving disability payments also being paid for accrued paid leave? • Worker’s Compensation – Payment, processes and uniformity of parameters in place. • Sick list – Review how one gets on the sick list, or back on the sick list and all that happens with carrying the cost of their benefits in the meantime? • FMLA – seek to better understand the past use of FMLA and what the costs to the agency have been. • Unpaid Leave – Understanding how unpaid is being used and what are the costs to the agency.
<p>5. Fixed Asset Management Plan</p>	<ul style="list-style-type: none"> • Disposal Process – What is the policy and what is covered by the policy? • Replacement insurance – What is included and not included. How are items added? • Depreciation and Useful Life – are assets being adequately depreciated? • Recordkeeping for Fixed Assets – where are the records being retained and are they correct?
<p>6. Retail Desk Transfer to Finance <i>(Approved in FY 2023)</i></p>	<ul style="list-style-type: none"> • Support of transition process. • Training and usage effectiveness.

FY 2025 Proposed Internal Audit Workplan (continued)

Area	Description
7. Criminal Background Checks	<ul style="list-style-type: none">• Are criminal background checks being performed?• Are background checks timely, prior to hiring someone??
8. Customer Comments Review Update	<ul style="list-style-type: none">• Customer service data disposition, reporting and resolution.• Comment routing process.• Timeliness of comment resolution• Type of complaints, validity of complaints and frequency of type.
9. Security of All Facilities	<ul style="list-style-type: none">• Keys and levels of access – What are the policies and procedures for who has access and where?• Door Malfunctions – Are our buildings as security as we think they are?• Access to core keys – Who should have access to remove lock cores?• Exterior Property Access – Are the exterior gates and fences secure?

FY 2025 Proposed Internal Audit Workplan (continued)

Area	Description
10. Fleet Management/Routine Maintenance Review	<ul style="list-style-type: none"> • Nightly routine maintenance – Is it being done? Washing? Fluid top offs? What else? Are they safe? Why are operators reporting things weren't done shortly after the bus enters revenue service? • Monitoring fluids – Who is allowed to dispense fluids, and who ensures that the systems stay current? Is there a deficiency with the equipment?
11. Rehire Eligibility Review	<ul style="list-style-type: none"> • What do recruiters and others in HR have access to in ADP? • Are we adhering to our own processes? If not, what are the consequences of that? What improvements can be made to the process to improve the outcomes?
12. Assessment Placement Testing	<ul style="list-style-type: none"> • What is included in the assessment tests? • What positions require tests? • What is the pass/fail rate? Is it an acceptable level?
13. Email Account Validation	<ul style="list-style-type: none"> • Do we maintain a current list of employee email accounts? • Should there be a policy regarding requiring email use? • How are accounts established and deleted?

FY 2025 Proposed Internal Audit Workplan (continued)

Area	Description
14. BMV Checks	<ul style="list-style-type: none"> • Do we know that employees are current and in good standing with their Commercial Driver’s License? • Are all coach operators checked each time, is it random and how often done?
15. Drug and Alcohol	<ul style="list-style-type: none"> • Are we getting them done, when they are supposed to be done? • Are we doing them for all new re-hires? • Are they coming back in a timely manner?
16. Annual Risk Refresh and Internal Audit Workplan	<p>Update the IndyGo risk universe by performing the annual risk assessment refresh and proposing the future Internal Audit workplan. Steps include:</p> <ul style="list-style-type: none"> • Interview members of IndyGo management and the Board, to obtain feedback on risks • Prioritize the risk universe and prepare an updated Heat Map • Propose the Internal Audit work plan, with specific audits



Completed Prior Audits

Fiscal Year	Report ID	Report Title	Date Reported
2024	2024-9	Annual Risk Refresh & Proposed Audit Plan 2025	1/8/2025
	2024-8	Maintenance & Storeroom Review Updated	10/16/2024
	2024-7	Policy Review Update Report	10/16/2024
	2024-6	Collision Review	7/18/2024
	2024-5	Safety/Security Review	7/18/2024
	2024-4	Paratransit Fare Collection Audit	4/18/2024
	2024-3	Maintenance Review	4/18/2024
	2024-2	Healthcare Cost Review	7/18/2024
	2024-10	Decentralized Operations Review Report Update	1/8/2025
	2024-1	Fare Pass Inventory Audit	4/18/2024
	2023-9	Annual Risk Refresh & Proposed Audit Plan 2024	1/18/2024
	2023-8	Staffing, Hiring & Recruiting Review Report	1/18/2024
2023	2023-7	Operator Scheduling Review Report	10/19/2023
	2023-6	Decentralized Operations Review Report	10/19/2023
	2023-5	Flowbird/Mykey Review	7/20/2023
	2023-4	Transit Asset Management Review	7/20/2023
	2023-3	Ridership Experience Review	7/20/2023
	2023-2	Bus Rapid Transit (BRT) Review	7/20/2023
	2023-1	Policy Review	4/27/2023



Completed Prior Audits (continued)

Fiscal Year	Report ID	Report Title	Date Reported
2022	2022-9	Paratransit Program Assessment	4/27/2023
	2022-8	Annual Risk Refresh & Proposed Audit Plan 2023	1/19/2023
	2022-7	Retail Center Audit	10/20/2022
	2022-6	Employee Share of Health Insurance Premium	10/20/2022
	2022-5	Covid and Pandemic Recovery	10/20/2022
	2022-4	Cyber Security Readiness	7/21/2022
	2022-3	Physical and Facility Security	7/21/2022
	2022-2	Microsoft D365 Implementation	7/21/2022
	2022-10	Stockroom & Maintenance Review	4/27/2023
	2022-1	Training	4/21/2022
	2021-6	Healthcare Costs Review	1/20/2022
2021	2021-5	Annual Risk Refresh & Proposed Audit Plan 2022	1/20/2022
	2021-4	Memorandums of Understanding Review	9/16/2021
	2021-3	Capital Project Management	9/16/2021
	2021-2	Storeroom and Materials Management Audit	6/16/2021
	2021-1	Fare Collection Audit	6/16/2021
2020	2020-9	Procurement Process Review	1/21/2021
	2020-8	Annual Risk Refresh & Proposed Audit Plan 2021	1/21/2021
	2020-7	Red Line Lessons Learned	9/17/2020
	2020-6	BCP Progress Assessment	9/17/2020
	2020-5	Payments Against Expired Agreement-Non-Order Invoices	6/16/2020
	2020-4	Lost Revenue - Online Credit Card Error	6/16/2020
	2020-3	Lost and Found Policy Addressing Found Cash	6/16/2020
	2020-2	Transdev Fuel Purchase Reporting	6/16/2020
	2020-12	Comprehensive IT Risk Assessment	3/18/2021
	2020-11	Compliance Mapping Exercise	1/21/2021
	2020-10	Strategic & Capital Planning/Grant Management Review	1/21/2021
	2020-1	Employee Terminations Timely Update in ADP	2/27/2020