



2022–2023 Audit Plan Update

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Overview

This is a mid-biennium update to the 2022-23 Audit Plan. We complete this update to realign resources and workload as needed based on progress made in completing the audit plan. Consideration is also given to potential changes in priorities since the plan was adopted. The methodology and topic information for the audit plan can be found in the adopted Plan available from the ODOT website. [[Link to 2022-23 Audit Plan](#)]

Adjustments made to the 2023 plan account for workload, emerging priorities, and changing risks. Overall, the plan retains its emphasis on audit topics related to ODOT's Strategic Action Plan. See the following explanation on the changes made:

- Available hours increased as the office is back to a full staff level.
- Addition of carryover work from audits underway which includes a topic that was not initially planned for 2023 (Paid Summary Report Monitoring).
- The Active Transportation topic was advanced to 2022 due to staff availability.
- The Equitable Engagement Compensation Program (EECP) topic will be monitored and re-assessed during the next risk assessment in 2023.
- The Interstate Bridge Replacement Program, Innovative Mobility Program, Community Workforce Agreements, and Cost Estimating were added to the planned audit work.
- The audits of Disadvantaged Business Enterprise (DBE) Contracts & Usage and Information Technology (IT) Project Implementation were moved to the risk areas not included in the audit plan.

Topics identified and time allocated in the plan may be altered due to emerging risks or other factors. Decisions to add/remove topics or re-allocate hours are made at the discretion of the Chief Auditor with consideration of management input and available staff resources. Additionally, once an audit is underway, the scope and objectives may change during the preliminary phase as auditors get updated information and prepare a detailed work plan. This may impact the number of hours spent completing an audit.

The descriptions and broad objectives in this plan are starting points for audits that we anticipate will be assigned in the 2023 calendar year. The topics are based on discussions with ODOT management and stakeholders, research, and our judgment of the most effective deployment of audit resources.

Audit Plan Topics	2023 Original Plan	2023 Update
Carryover Audit Work		
Amtrak Cascades Cost Sharing	0	50
Americans with Disabilities Act (ADA) Curb Ramp Cost Estimates	0	250
House Bill 2017 Implementation	0	900
Paid Summary Report Monitoring	0	500
Architecture and Engineering (A&E) Partial Pay	0	150
Commerce and Compliance Audit Program & Bonds	0	120
Consultant Project Oversight	650	100
Active Transportation Funding	1350	1000
Carryover Subtotal	2,000	3,250
Follow-up Audit Work		
Pavement Management	0	400
Follow-Up Audit Work Subtotal	0	400
Planned Audit Work		
IT Security	900	900
Office of Urban Mobility	900	900
Compliance with Environmental Regulations*	1200	500
Interstate Bridge Replacement Program*	0	500
Community Workforce Agreements	0	600
Innovative Mobility Program	0	400
Cost Estimating and Social Equity	0	300
DBE Contracts and Usage	1200	0
IT Project Implementation	750	0
Planned Audit Work Subtotal	4,950	4,000
Management & OTC Requests		
Available Hours	750	750
Management Requests Subtotal	750	750
Annual Audit Work		
Routine Follow-up	50	50
Risk Assessment	450	450
Annual Audit Work Subtotal	500	500
Total Available Audit Hours	8,200	9,500

* These audit topics may carry over into calendar year 2024.

Carryover Audit Work	Description	Estimated Hours
Amtrak Cascades Cost Sharing	The audit was started to review the cost allocation and agreement outcomes between ODOT, Amtrak, and the Washington Department of Transportation. It was determined that an audit was not warranted and observations from planning work will be shared with management.	50
ADA Curb Ramp Cost Estimates	This real-time audit is examining the costs associated with the design and construction of ADA curb ramps.	250
House Bill 2017 Implementation	House Bill 2017 gave ODOT multiple initiatives and the audit is reviewing implementation efforts taken so far. Areas of focus include the named highway construction projects in the bill and expansion of public transit across the state.	900
Paid Summary Report Monitoring	The audit is reviewing the current process controls and may also review the process after ODOT implements a new software for paid summary reports.	500
A&E Partial Pay	The audit is reviewing ODOT's implementation of a partial pay process to expedite payments to consultants.	150
Commerce and Compliance Audit Program & Bonds	The first part of the audit calculated a collection rate for audits issued during calendar years 2019-21. Additional work will be done related to bond requirements for carriers. Multiple reports will be issued for this audit.	350
Consultant Oversight in Project Delivery	Review ODOT's oversight of consultants in preliminary engineering and construction engineering with a potential focus on managing costs, ensuring quality work, and timely deliverable completion. It was determined that an audit would be better suited for a later time. Observations from planning work will be shared with management.	100
Active Transportation Funding	The audit may look at how funding for bicycle and pedestrian programs has been used to improve improve facilities, and how ODOT has been meeting the requirement to spend 1% of state highway funds on bicycle and pedestrian facilities.	1,000
Follow-Up Audit Work	Description	Estimated Hours
Pavement Management	Follow-up on report 21-02, <i>Controls to Ensure the Integrity of Pavement Condition Data Need Strengthening</i> . The audit evaluated whether the Pavement Management Program had a control structure to ensure data are reliable, accurate, and complete.	400

Planned Audit Work	Description	Estimated Hours
IT Security	The audit may focus on IT business continuity and how ODOT manages IT security for the agency.	900
Office of Urban Mobility	The Office of Urban Mobility is delivering several of the department's key projects and initiatives. Areas that may be considered for review include contracting, resourcing, and the control structure.	900
Compliance with Environmental Regulations	The audit would review compliance with environmental regulations during preliminary engineering and coordination between regions and the Engineering & Technical Services Branch.	900
Interstate Bridge Replacement Program	The Interstate Bridge Replacement (IBR) Program has advanced to planning and design efforts. This allocation covers risk assessment and planning work to identify audit topics. Additional hours may be allocated as needed once audit objectives are identified.	500
Community Workforce Agreements	A new pilot will include Community Workforce Agreements on projects and the review may look at whether desired outcomes were achieved and if any negative project impacts occurred.	600
Innovative Mobility Program	The audit may review the procedures and initial grant awards for alignment with program goals that include improving access to public transportation, reducing car trips, and reducing greenhouse gas emissions.	500
Cost Estimating and Social Equity	The audit will review how the social equity component of the cost estimating tool is being utilized on highway construction projects.	350
Management & OTC Requests	Description	Estimated Hours
Pending	Time allotted for management and OTC requests.	750
Annual Audit Work	Description	Estimated Hours
Routine Follow-up and Monitoring	This will be time spent by auditors following-up on completed projects, monitoring implementation status, and determining when further follow-up work should be done.	50
Risk Assessment	We will conduct a full risk assessment in the summer of 2021 to develop the next biennial audit plan.	450

Risk Areas Not Included in the Audit Plan

We included as many audit topics on the 2023 Audit Plan as we have resources to address. However, if time allows and resources are available, the following topics could be included in the audit plan. The remaining topics are not in a priority order.

Additional Audit Topics	Description
DBE Contracts and Usage	Review the Disadvantaged Business Enterprise (DBE) program with potential scope looking at meeting contract goals, use of DBE firms on ODOT contracts, subcontractor progress payments, and certified payroll. Scope will include follow-up to audit report 17-03 <i>DBE Program Shows Progress, Needed Improvements Remain</i> .
IT Project Implementation	Review recent IT projects implemented to determine if the intended value has been realized along with how the project managed the schedule, scope and budget. Scope will include follow-up to audit report 16-01 <i>Information Technology Projects: Better Demonstrating Value</i> .
EECP	An audit of the Equitable Engagement Compensation Program (EECP) may include a review how feedback is being used in project decisions and the expenditure controls.
Rose Quarter Project	Time held for audit work related to the Rose Quarter project which could include items such as contract administration and project controls. Work would be scoped on an ongoing/real-time basis.
HR Recruitment	An audit may look at how affirmative action goals and diversity in hiring is considered during agency recruitments
Employee Safety	The audit would review consistency of safety practices across ODOT, communication of safety decisions and initiatives, and impact of recent organizational changes.
Fleet Utilization	Review utilization and make-up of the ODOT fleet for opportunities for cost-saving and reducing environmental impact.
Emergency Management	Review preparedness across the agency for consistency and alignment with statewide plan.
Modern Work Environment	Review implementation of work place changes for consistency, opportunities to broaden adoption, and reduce the agency footprint.
Inventory Management	Review inventory management systems and processes for materials and small tools/work equipment