Utah Transit Authority

669 West 200 South
Salt Lake City, UT 84101

Audit Committee

REGULAR MEETING AGENDA

| **Monday, June 24, 2024** | **9:00 AM** | **FrontLines Headquarters** |

UTA Audit Committee will meet in person at UTA FrontLines headquarters (FLHQ) 669 W. 200 S. Salt Lake City, UT. 84101

1. **Call to Order & Opening Remarks** — Chair Carlton Christensen

2. **Safety First Minute** — Jana Ostler

3. **Consent** — Chair Carlton Christensen

    a.   Approval of March 11, 2024 Audit Committee Meeting Minutes

4. **Internal Audit Update**

    a.   Internal Audit Update — Mike Hurst
       -2023 Audit Plan Status
       -2024 Audit Plan Status
       -Other Internal Audit Activities

    b.   Open Issues Follow Up Report — Mike Hurst

5. **Internal Audit Reports**

    a.   1099 Reporting Preliminary Assessment (R-23-03) — Mike Hurst / Viola Miller

    b.   Cell Phone Performance Audit Follow-up (R-22-07) — Mike Hurst / Tom Smith

    c.   Commuter Rail Operations Follow-up (R-22-01) — Johanna Goss / Dalan Taylor / Zachary Thomas

6. **Other Business** — Chair Carlton Christensen

    a.   Next Meeting: July 11, 2024 at 1:00 p.m.

7. **Adjourn** — Chair Carlton Christensen

Meeting Information:

- Special Accommodation: Information related to this meeting is available in alternate format upon request by contacting adacompliance@rideuta.com or (801) 287-3535. Request for accommodations should be made at least two

business days in advance of the scheduled meeting.

• All members of the Audit Committee and meeting presenters will participate in person, however committee members may join electronically as needed with 24 hours advance notice.

• Meeting proceedings may be viewed remotely by following the instructions and link on the UTA Public Meeting Portal - https://rideuta.legistar.com/Calendar.aspx

• In the event of technical difficulties with the remote connection or live-stream, the meeting will proceed in person and in compliance with the Open and Public Meetings Act.

• Public Comment will not be taken at this meeting, but general comment may be given online through https://www.rideuta.com/Board-of-Trustees. Comments may also be sent via e-mail to boardoftrustees@rideuta.com

• Meetings are audio and video recorded and live-streamed.

• Motions, including final actions, may be taken in relation to any topic listed on the agenda.

Utah Transit Authority

MEETING MEMO

Audit Committee **Date:** 6/24/2024

TO: Audit Committee
FROM: Jana Ostler, Board Manager

TITLE:

Approval of March 11, 2024 Audit Committee Meeting Minutes

AGENDA ITEM TYPE:
Minutes

RECOMMENDATION:
Approve the minutes of the March 11, 2024 Audit Committee meeting

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BACKGROUND:
A regular meeting of the UTA Audit Committee was held in person and broadcast live through the UTA meetings website on Monday, March 11, 2024 at 3:00 p.m. Minutes from the meeting document the actions of the committee and summarize the discussion that took place in the meeting. A full audio recording of the meeting is available on the Utah Public Notice Website
<https://www.utah.gov/pmn/sitemap/notice/896947.html>
 and video feed is available through the UTA Meetings website at https://rideuta.com/Board-of-Trustees/Meetings

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ATTACHMENTS:
2024-03-11_AUDIT_Minutes_UNAPPROVED

Utah Transit Authority
Audit Committee
MEETING MINUTES - Draft

669 West 200 South
Salt Lake City, UT 84101

Monday, March 11, 2024	**3:00 PM**	**FrontLines Headquarters**

Present: Chair Carlton Christensen
                  Jeff Acerson
                  Beth Holbrook
                  Bob Stevenson
Remote: Troy Walker

Also in attendance were UTA staff and interested community members.

1.   Call to Order & Opening Remarks

Chair Christensen welcomed attendees and called the meeting to order at 3:03 p.m. He announced this is an in-person, recorded meeting, with live viewing available online. It was noted Committee Member Troy Walker will be participating remotely.

2.   Safety First Minute

Jay Fox, UTA Executive Director, delivered a brief safety message.

3.   Consent

a.   Approval of December 18, 2023 Audit Committee Meeting Minutes

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, to approve the consent agenda. The motion carried unanimously.

4.   Audit Committee Actions

a.   Audit Committee Charter

Annette Royle, UTA Director of Board Governance, presented the Audit Committee Charter for review and adoption by the committee. The charter, which is reviewed by the committee each year, authorizes the committee to direct the internal and external auditing functions of the agency.

Royle provided a brief overview of the charter's mission and duties and the modifications to the 2024 charter. These include adding a confidentiality requirement to member duties as recommended by the State Auditor, and clarification of the committee's duty to review the charter annually and recommended any proposed revisions to the UTA Board of Trustees for adoption.

A question regarding the confidentiality clause was posed by Chair Christensen and

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answered by Royle.

A motion was made by Trustee Acerson, and seconded by Committee Member Stevenson, to approve the Audit Committee Charter as presented, and recommend adoption by the Board of Trustees. The motion carried unanimously.

b.   Internal Audit External Assessment Recommendation

Mike Hurst, Internal Audit Director, presented information and options for an independent audit of the agency's internal audit practices. Standards set by the Institute of Internal Auditors require an external assessment be performed every five years.

Hurst explained the options for completing the assessment which include hiring an external auditor, trading assessment services with a neighboring internal audit team, or conducting a self-assessment followed by an independent validation.

For the self-assessment method, Internal Audit would complete a series of checklists to measure compliance with required auditing standards. An external provider would then review and validate the results. This method will provide more efficiency with no additional cost to the agency.

Discussion ensued. Questions regarding external validation and the credibility of an independent validation were posed by the committee and answered by Hurst.

A motion was made by Trustee Holbrook, and seconded by Committee Member Stevenson, to recommend a self-assessment with independent validation for the Internal Audit External Assessment, as presented. The motion carried unanimously.

5.   Internal Audit Update

a.   Internal Audit Update
- **2023 Audit Plan Status**
- **2024 Audit Plan Status**
- **Sales Tax Refund**

Mike Hurst reported on the status of audit activities completed or in progress since the last audit committee meeting held in December 2023. His presentation included a 2023 audit plan status, 2024 audit plan status and upcoming projects, and an update on the sales tax refund project.

Discussion ensued. Questions relating to the vendor master file review, the number of special projects, and the selection and prioritization methods of projects, were posed by the committee and answered by Hurst.

The committee requested a status report of outstanding items from past projects. Hurst said he will prepare and provide a report at each audit committee meeting.

Chair Christensen requested a report on the sales tax refund project at the next audit committee meeting.

b.　　**2023 Quality Assurance and Improvement Program**

Mike Hurst was joined by Johanna Goss, UTA Senior Internal Auditor, to present the 2023 Quality Assurance and Improvement Program (QAIP) results.

Hurst detailed one of the standards published by the Institute of Internal Auditors (IIA), relating to quality assurance and improvement activities. The standards require improvement activities be completed annually and UTA Internal Audit meets these standards by completing IIA checklists measuring compliance against the standards.

The QAIP was completed by Goss who provided recommendations based on findings during the review. Hurst drafted an action plan based on these recommendations.

Hurst reviewed the recommendations and associated action plans. These include developing a standard operating procedure (SOP) for Internal Audit, moving the adoption dates of the annual audit plan to March each year to align with the agency's risk assessment, continuing a review of Information Technology governance, seeking outside services for the ethics assurance program, documenting audit reviews, and defining risk ratings.

6.　　**Internal Audit Reports**

a.　　**UTA Police Department Ethics and Code of Conduct Preliminary Assessment and Final Report (R-24-05)**

Johanna Goss was joined by Dalan Taylor, UTA Chief of Police, to present a preliminary assessment and final report on the UTA Police Department Ethics and Code of Conduct.

Goss reviewed the audit scope including objectives, review period, and results. The review focused on code of conduct and training rollout and completion. The review found UTA Police Department's code of conduct and training to be aligned and structured around national best practices, including the International Association of Chiefs of Police, and the Peace Officer Standards Training (POST). Goss reported no recommendations following the review.

Discussion ensued. Questions relating to comparable practices with other police departments, alignment with POST, and working relationships with other local jurisdictions, were posed by the committee and answered by staff.

Goss was joined by Dalan Taylor, UTA Chief of Police, to present a preliminary assessment and final report on the UTA Police Department Ethics and Code of Conduct.

Goss reviewed the audit scope including objectives, review period, and results. The review focused on code of conduct and training rollout and completion. The review

found UTA Police Department's code of conduct and training to be aligned and structured around national best practices, including the International Association of Chiefs of Police, and the Peace Officer Standards Training (POST). Goss reported no recommendations following the review.

Discussion ensued. Questions relating to comparable practices with other police departments, alignment with POST, and working relationships with other local jurisdictions, were posed by the committee and answered by staff.

b.   **Transit Communication Center Preliminary Assessment (R-23-04)**

Johanna Goss was joined by Jody Richins, UTA Transit Communications Center Manager, to present a preliminary assessment of the Transit Communications Center (TCC).

Goss reviewed the audit scope including objectives, review period, results, and recommendations. The review focused on staffing, dispatcher training, systems and tools. She reported on the tracking of employee training, certifications, and training materials. Updates and interdepartmental coordination on dispatch and other systems were reviewed. Internal Audit recommended TCC management evaluate current headcount levels for sufficient staff coverage.

Discussion ensued. Questions relating to staffing, turnover, dispatch systems, including comparison with other transit agency systems, and connections with other local agency dispatch centers, were posed by the committee and answered by staff.

Jay Fox inquired if UTA's People Office were made aware of the potential TCC staffing needs during the audit process. Goss responded they had not. Chair Christensen noted this as a follow up item to the audit finding.

c.   **Asset Capitalization Process Limited Scope Assessment (R-23-08)**

Mike Hurst was joined by Luke Barber, UTA Senior Internal Auditor, and Joan Burke, UTA Capital Assets Control Manager, to present the limited scope assessment for the Asset Prioritization Process.

Barber reviewed the audit scope including the objectives which were to determine the strength of control activities around asset identification and appropriate accounting for assets purchased using grant funding. He noted an exclusion regarding asset valuation and stated this is tested by UTA's external auditors and not included in the scope of this internal audit.

Barber reported a sample review of purchases made through accounts payable and individual purchase cards was conducted. In addition, federal percentage calculations were reviewed although testing remains inconclusive until final journal entries are made. Follow-up work will be performed in this area of the audit in 2024 to determine

accuracy. A report will be provided to the committee later in the year.

Discussion ensued. Questions relating to the scope of the asset valuation, audits completed by the agency's external financial auditors, utilization of grant funds, and monitoring of close out projects, were posed by the committee and answered by staff.

7.   Other Business

a.   Next Meeting: Monday, June 17th, 2024 at 3:00 p.m.

8.   Adjourn

A motion was made by Committee Member Stevenson, and seconded by Trustee Holbrook to adjourn the meeting. The motion carried by unanimous vote and the meeting adjourned at 4:10 p.m.

Transcribed by Hayley Mitchell
Executive Assistant to the Board
Utah Transit Authority

This document is not intended to serve as a full transcript as additional discussion may have taken place; please refer to the meeting materials or audio located at:
https://www.utah.gov/pmn/sitemap/notice/896947.html for entire content.
The meeting video is accessible at:
https://rideuta.granicus.com/player/clip/287?view_id=1&redirect=true

This document along with the digital recording constitute the official minutes of this meeting.

Approved Date:

Carlton Christensen
Chair, UTA Audit Committee

Utah Transit Authority

669 West 200 South
Salt Lake City, UT 84101

MEETING MEMO

Audit Committee   **Date:** 6/24/2024

TO: Audit Committee
THROUGH: Jay Fox, Executive Director
FROM: Mike Hurst, Director Internal Audit
PRESENTER(S):   Mike Hurst, Director Internal Audit

TITLE:

Internal Audit Update
-2023 Audit Plan Status
-2024 Audit Plan Status
-Other Internal Audit Activities

AGENDA ITEM TYPE:

Report

RECOMMENDATION:

Information for discussion

BACKGROUND:

Internal Audit and Audit Committee Charters specify that Internal Audit report on the status of audit plans and other internal audit activities during quarterly meetings of the Audit Committee.

DISCUSSION:

Internal Audit will report on activities completed since the last Audit Committee meeting was held on March 11, 2024. This discussion will report on the status of the 2023 audit plan projects, the status of the 2024 audit plan projects, the completion of Light Rail and Commuter Rail Safety Audits, and the status of the sales tax refund audit.

ALTERNATIVES:

Not applicable

FISCAL IMPACT:

Not applicable

ATTACHMENTS:

None

Utah Transit Authority

MEETING MEMO

Audit Committee   **Date:** 6/24/2024

TO: Audit Committee
THROUGH: Jay Fox, Executive Director
FROM: Mike Hurst, Director of Internal Audit
PRESENTER(S):   Mike Hurst, Director of Internal Audit

TITLE:

Open Issues Follow Up Report

AGENDA ITEM TYPE:

Report

RECOMMENDATION:

Informational item for discussion

BACKGROUND:

In the March 11, 2024 Audit Committee meeting, the committee requested an accounting of outstanding items or uncompleted action plans (also referred to as open issues) from previous audit engagement phases.

DISCUSSION:

Internal Audit will present a follow up schedule and discuss the status of open issues from previous audit engagements. According to the follow-up schedule, Internal Audit will work with management to determine if action plans have been implemented. The outcomes of this follow up work will be presented to the Audit Committee as action plans are completed, or sooner, if needed.

ALTERNATIVES:

N/A

FISCAL IMPACT:

N/A

ATTACHMENTS:

None

Utah Transit Authority

MEETING MEMO

Audit Committee   **Date:** 6/24/2024

TO: Audit Committee
THROUGH: Jay Fox, Executive Director
FROM: Mike Hurst, Director Internal Audit
PRESENTER(S):   Mike Hurst, Director Internal Audit
                     Viola Miller, Chief Financial Officer

TITLE:

1099 Reporting Preliminary Assessment (R-23-03)

AGENDA ITEM TYPE:

Report

RECOMMENDATION:

Informational Report for discussion.

BACKGROUND:

Internal Audit completed a preliminary assessment of 1099 Reporting in August 2023 as part of the 2023 Audit Plan. 1099 are a type of federal tax form that reports certain payments totaling $600 or more, such as payments made to attorneys or payments made to unincorporated contractors. The engagement found compliance issues. Management and Legal disclosed the issues to the Internal Revenue Service and Utah State Tax Commission and followed their counsel to meet compliance. Internal Audit delayed the final report while these disclosures were being made.

DISCUSSION:

Internal Audit will report on observations and recommendations from the audit.

ALTERNATIVES:

Not applicable

FISCAL IMPACT:

Not applicable

ATTACHMENTS:
None

Utah Transit Authority

MEETING MEMO

Audit Committee   **Date:** 6/24/2024

TO:	Audit Committee
THROUGH:	Jay Fox, Executive Director
FROM:	Mike Hurst, Director Internal Audit
PRESENTER(S):	Mike Hurst, Director Internal Audit

TITLE:

Cell Phone Performance Audit Follow-up (R-22-07)

AGENDA ITEM TYPE:

Report

RECOMMENDATION:

Informational report for discussion.

BACKGROUND:

Internal Audit completed a Cell Phone Performance Audit as part of the 2022 Audit Plan and reported initial results, including findings and action plans, to the Audit Committee on June 27, 2022. A follow-up of cell phone performance was completed in May 2024. The follow-up focused on verifying the status of the management action plans from the initial phase and re-calculating cell phone use statistics for current periods.

DISCUSSION:

Internal Audit will report on observations and recommendations from the follow-up.

ALTERNATIVES:

Not applicable

FISCAL IMPACT:

Not applicable

ATTACHMENTS:

R-22-07 - Cell Phone Follow Up Report final

INTERNAL AUDIT

Performance Audit of Cell Phones Follow-up

R-22-07

June 20, 2024

Table of Contents

Rating Matrix

Descriptor	Guide
High	Matters considered being fundamental to the maintenance of internal control or good corporate governance. These matters should be subject to agreed remedial action within three months.
Medium	Matters considered being important to the maintenance of internal control or good corporate governance. These matters should be subject to agreed remedial action within six months.
Low	Matters considered being of minor importance to the maintenance of internal control or good corporate governance or that represents an opportunity for improving the efficiency of existing processes. These matters should be subject to agreed remedial action and further evaluation within twelve months.

Distribution List

Title	For Action	For Information	Reviewed prior to release
Executive Director		*	*
Chief Financial Officer		*	
Information Technology Director	*		
IT Network Support Manager	*		
Records Manager			*

Performance Audit Report

Executive Summary

Introduction

The Audit Committee directed Internal Audit (IA) to conduct a performance audit to determine of controls over cell phone management are designed adequately and operating effectively to ensure compliance with internal policies and procedures as well as to support the achievement of management objectives. The Audit Plan was approved by the Audit Committee on January 31, 2022.

This audit phase was completed May 16, 2022 and was conducted in accordance with the International Standards for the Professional Practice of Internal Audit, published by the Institute of Internal Auditors. The follow-up phase was completed May 2, 2024, and was also completed according to these standards.

Background and Functional Overview

The Technology Support Supervisor and the Technology Support Specialist currently manage the cellular services for UTA. These include ordering, provisioning, and general technical support of the devices and the associated services. Financial responsibility is the responsibility of each business unit. The account charged is the accounting code for Utilities, 50521.90. The charges include the cost of the device and the monthly cost of service(s).

As of May 7, 2024 UTA is billed for approximately 3,400 lines of service spanning five providers. Below is the line of service breakdown[1]:
- FirstNet:
  - Admin 749
  - Rail 145
  - PD 197
  - Radio 15
- GeoTab:
  - Support Fleet 602
  - Vanpool 508
  - No Vehicle 67
- Verizon
  - 6 lines of service
- T-Mobile
  - 25 lines of service
- AT&T:
  - Bus 1,051
  - FrontRunner 50
  - Trax 11
  - Metrocell 4 (no cost generation)

Objectives and Scope

The period of the performance audit phase focused on activity between January 1, 2020, to January 31, 2022. Additional periods were reviewed, as necessary.

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[1] Data was provided by Technology Support management on May 7, 2024.

The primary areas of focus for the audit were:
- Governance
- Onboarding process
- Offboarding process
- Ongoing consideration

We focused on periods since January 2022 for the follow-up phase and reviewed the current status of the action plan from the initial audit report. We also re-performed analysis of cell phone use statistics.

Summary

Audit Phase Summary
IA found that the Information Technology (IT) department has the skills and expertise needed to manage UTA cell phones, but they lack the resources and governance structure to do so with full effectiveness.

Follow-up Phase Summary
We found that management continues to be under-resourced in their efforts to govern cell phones and related assets. Requests for additional headcount was denied and no new policies or standard operating procedures were adopted. Management is limited by resources to the basic tasks associated with these assets, such as activating new lines, turning off service when requested, and setting basic user requirements. Management could more effectively manage these assets if properly resourced. With additional support, management could address aspects of integration such as monitoring usage, setting policy, and performing asset inventory. Internal Audit renews its recommendation that the department receive priority consideration for additional headcount.

Attachment A: Details of Recommendations

Audit Finding R-22-07-1 Cell Phone Governance and Resources	Risk Level: Medium

Performance Audit Status
Criteria:
Utah Transit Authority Corporate Policy No. 1.1.24 Acceptable Use of Technology Resources Policy section IV. B. states:

"All Technology Resources owned by UTA are managed by the Technology Department."

Details:
Current UTA inventory of cell phone devices and services are widely used across the organization. While corporate policy has established the IT department as having the ultimate authority to manage these devices and services, the application of this authority is underdeveloped.

Additionally, the scope of managing and tracking cell phone resources is time intensive. Due to current staffing and duty prioritization cell phone device and service management is inadequate for UTA's needs. Under the current job description for the Technology Support Supervisor, accurate record keeping of cell phones (among other tools and services) should only make up 10% of the position's time. One tenth of one position's time is insufficient to exercise necessary governance and manage needed tasks.

Underlying Cause:

Performance Audit Report

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IT's responsibility of managing and tracking technology resources throughout the organization was initially formalized in policy in 2010 and has undergone two revisions (in 2014 and 2016 respectively) since. The increasing reliance on cell phone devices and related services at UTA has substantially expanded the amount of work required from the Technology Support Supervisor to manage those resources appropriately.

Effect:
- The Technology Support Supervisor reported the following limitations:
    - Cell phone orders are not completed in a timely manner.
    - Cell phone usage audits (zero usage) are done sporadically.
    - Business\bill analysis is not done.
    - Policy generation and update is not done.
    - Onboarding\offboarding is not done effectively or timely due to lack of process and collaboration between business units, IT, and Human Resources.
    - Current process is vulnerable to ethically questionable decisions.
    - Current process is vulnerable to monetary waste.
    - Improvements are not done in a timely manner due to limitations (time, resources, authority, collaboration).
    - Approvals are not standardized or meaningful.
    - Billing support is not done optimally.
    - Managing cellular service takes time that could be spent on higher priority duties.

- IT cellular service records are incomplete and/or inaccurate, including:
    - Five service lines assigned to the wrong department, based on the assigned user.
    - 12 service lines not assigned to a user in IT records.
    - 16 lines of service that are no longer active.
    - 90 active cell phones with the incorrect user assigned
    - 40 active data only lines (such as tablets or MiFi) with the incorrect user assigned.
    - 31 cell lines are being paid for but there is no active user. Device whereabouts are unknown in some instances.
    - 12 lines of service are active but it is unknown what happened to them or if they are being used.

- Cellular service use data for FirstNet bills from December 2021 to February 2022 were compiled and averaged[2].
    - 208 service lines had zero use at a monthly cost of $8,300.
    - Over 50% of service lines have low use in at least one category of talk, text, or data. Depending on the degree of overlap in low use categories, the approximate cost ranges from $14,000 to $42,100 per month. These lines could potentially be turned off with minimal business disruption.[3]

Recommendations:
1. Create a full-time position with the primary responsibility to manage and track cellular services and devices, establish onboarding and offboarding procedures, and solidify governance authority.

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[2] Due to data limitations, data was manually compiled by the auditors. The figures accordingly have minor clerical errors and should be considered approximations but are sufficiently accurate for illustrating patterns.
[3] Refer to Attachment B for complete statistics and definitions of low use.

2. Require cellular service users to formally justify the business need for existing tools and services.

Management Response and Action Plan:
The IT Network Support Manager will request a budget for a full-time position responsible for the inventory and accuracy of IT assets and services in the 2023 budget.

The IT Network Support Manager will work with the IT Director and Executive management to establish governance authority roles and responsibilities, standards, and best practices for devices, services, and auditing. We will also re-initiate the improvement project focused on the onboarding and offboarding procedures for mobile devices and associated services.

Target Completion Date:
June 30, 2023

Current Status:
Management requested a full-time position for the 2023 budget to help with cell phone governance, but the request was denied. This resource is desired not just for cell phone management but also for better asset management, as required by federal regulation. Management stated they will request the resource again in the 2025 budget.

Management has implemented stricter control over what devices can be purchased. The IT purchase portal allows for two cell phone models to be purchased and exceptions to this require approval. No other noteworthy governance improvements have occurred. Per Tom Smith no policies or standard operating procedures have been adopted or updated since the audit in 2022.

Cellular use statistics continue to have large percentages of lines with no to low use – see Attachment C below. These use patterns suggest that there are cost savings available if management could proactively monitor and verify need of lines of service. However, management is too shorthanded to systematically perform these types of governing tasks.

Internal Audit continues to support the positive control improvements that could be achieved with greater resourcing. Adding additional support could not only assist with better control over cell phone and related devices, but with electronic asset inventory, software licensing, and policy development and deployment. The position would also positively impact the workload of the Network Support Manager and Technology Support Supervisor to focus on management-level activities.

Attachment B: Details of Cell Phone Use Statistics – Audit Phase

Disclaimer for 2024 release: the cited summary contains mislabels of the figures. For continuity, the errors cannot be corrected in the original text. The correct labels are: Figure 1. An average of 55.51% of cell phones had 100 minutes or less of talk per month, at a cost of $13,850; Figure 2. An average of 62.69% of cell phones had 100 text messages or less per month, at a cost of $15,720; Figure 3. An average of 45.57% of cell phones used less than 1 gigabyte of data per month, at a cost of $12,580; Figure 4. An average of 54% of data only lines had use of less than 10 gigabyte per month, at a cost of $3,500; Figure 5. 208 service lines had zero use, at a cost of about $8,300.

Summary of Cell Phone Use Statistics
- o *Figure 1.* 208 service lines had zero use, at a cost of about $8,300.
- o *Figure 2.* An average of 55.51% of cell phones had 100 minutes or less of talk per month, at a cost of $13,850.
- o *Figure 3.* An average of 62.69% of cell phones had 100 text messages or less per month, at a cost of $15,720.
- o *Figure 4.* An average of 45.57% of cell phones used less than 1 gigabyte of data per month, at a cost of $12,580.
- o *Figure 5.* An average of 54% of data only lines had use of less than 10 gigabyte per month, at a cost of $3,500.

Figure 1.

Talk - Use Averages Dec 2021 - Feb 2022						
Range	**Dec '21**	**Jan '22**	**Feb '22**	**Avg.**	**% of Total**	**Approx. Cost**
0	50	56	63	56	9.04%	$ 2,255.59
1 to 50	207	204	223	211	33.90%	$ 8,461.79
51 to 100	77	83	75	78	12.57%	$ 3,136.47
101 to 150	55	52	48	52	8.29%	$ 2,068.73
151 to 200	34	45	34	38	6.04%	$ 1,508.17
201 to 250	32	23	32	29	4.65%	$ 1,161.16
251 to 300	29	18	18	22	3.48%	$ 867.53
300 or more	135	140	137	137	22.03%	$ 5,498.83
Total	619	621	630	623		

Figure 2.

Text - Use Averages Dec 2021 - Feb 2022						
Range	**Dec '21**	**Jan '22**	**Feb '22**	**Avg.**	**% of Total**	**Approx. Cost**
0	41	18	40	33	5.27%	$ 1,321.32
1 to 50	249	290	276	272	43.37%	$ 10,877.53
51 to 100	79	94	91	88	14.05%	$ 3,523.52
101 to 150	56	45	50	50	8.04%	$ 2,015.35
151 to 200	25	29	28	27	4.36%	$ 1,094.43
201 to 250	22	20	21	21	3.35%	$ 840.84

Range						
251 to 300	20	16	15	17	2.71%	$ 680.68
300 or more	124	113	117	118	18.84%	$ 4,724.72
Total	616	625	638	626		

Figure 3.

Data - Use Averages Dec 2021 - Feb 2022						
Range	**Dec '21**	**Jan '22**	**Feb '22**	**Avg.**	**% of Total**	**Approx. Cost**
0	14	17	17	16	2.74%	$ 640.64
1 to 100	34	36	42	37	6.76%	$ 1,494.83
101 to 500	145	149	125	140	20.13%	$ 5,592.25
501 to 1,000	148	117	99	121	15.94%	$ 4,858.19
1,001 - 2,000	107	95	111	104	17.87%	$ 4,177.51
2,000 or more	169	202	236	202	38.00%	$ 8,101.43
Total	617	616	630	621		

Figure 4.

MiFi/Tablets - Use Averages Dec 2021 - Feb 2022						
Range	**Dec '21**	**Jan '22**	**Feb '22**	**Avg.**	**% of Total**	**Approx. Cost**
0-10K	91	82	91	88	53.99%	$ 3,523.52
10k or more	71	74	80	75	46.01%	$ 3,003.00
Total	162	156	171	163		

Figure 5.

Zero Use Devices - approximate from Dec 2021 - Feb 2022						
Range	**Dec '21**	**Jan '22**	**Feb '22**	**Avg.**	**% of Total**	**Approx. Cost**
0	204	221	200	208	25.51%	$ 8,341.67

Performance Audit Report

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Attachment C: Details of Cell Phone Use Statistics – Follow-up Phase

The following charts summarize the use patterns of UTA cell phones and related devices for the period January 2022 through February 2024. These figures are an estimate only because of limitations and insufficiencies in data and approach. The purpose is not to advocate that specific lines of service should be removed but to demonstrate the need for greater governance and resourcing that would help reduce the low use indicated by the data.

Figure 6. Voice Use 1/2022 - 2/2024

Range of Minutes	Monthly Avg	Percent of Total
0	957	65.73%
1-100	121	8.34%
101-500	166	11.43%
500 or more	211	14.50%

Figure 7. Text Use 1/2022 - 2/2024

Range of Texts	Monthly Avg	Percent of Total
0	842	57.79%
1-100	391	26.82%
101-500	143	9.81%
501 or more	81	5.58%

Figure 8. Data Use 1/2022 - 2/2024

Range of Data (mb)	Monthly Avg	Percent of Total
0	646	21.24%
1-100	1,009	33.15%
101-500	172	5.64%
501-1,000	189	6.20%
1,001 or more	1,028	33.77%

Utah Transit Authority

MEETING MEMO

Audit Committee   **Date:** 6/24/2024

TO:	Audit Committee
THROUGH:	Jay Fox, Executive Director
FROM:	Mike Hurst, Director Internal Audit
PRESENTER(S):	Johanna Goss, Senior Internal Auditor
	Dallin Taylor, Chief of Police
	Zachary Thomas, Commuter Rail General Manager

TITLE:

Commuter Rail Operations Follow-up (R-22-01)

AGENDA ITEM TYPE:

Report

RECOMMENDATION:

Informational Report for discussion.

BACKGROUND:

Internal Audit completed a Preliminary Assessment of Commuter Rail Operations as part of the 2022 Audit Plan. Results of the assessment were reported to the Audit Committee on December 12, 2022, including findings and action plans. A follow-up of project 22-01 Commuter Rail Operations was completed by Internal Audit in May 2024. The follow-up focused on verifying the status of the management action plans from the previous phase.

DISCUSSION:

Internal Audit will report on observations and recommendations from the follow-up.

ALTERNATIVES:

Not applicable

FISCAL IMPACT:

Not applicable

ATTACHMENTS:
22-01 Commuter Rail Follow up Report

INTERNAL AUDIT

Commuter Rail Operations – Follow Up Report

R-22-01

June 13, 2024

Table of Contents

Rating Matrix

Descriptor	Guide
High	Matters considered being fundamental to the maintenance of internal control or good corporate governance. These matters should be subject to agreed remedial action within three months.
Medium	Matters considered being important to the maintenance of internal control or good corporate governance. These matters should be subject to agreed remedial action within six months.
Low	Matters considered being of minor importance to the maintenance of internal control or good corporate governance or that represents an opportunity for improving the efficiency of existing processes. These matters should be subject to agreed remedial action and further evaluation within twelve months.

Distribution List

Title	For Action[1]	For Information	Reviewed prior to release
Executive Director		*	*
Chief Operating Officer	*		
Chief Financial Officer		*	
Director, Safety & Security Officer	*		
Commuter Rail General Manager	*		*

[1]For Action indicates that a person is responsible, either directly or indirectly depending on their role in the process, for addressing an audit finding.

Follow-up Report

2

Executive Summary

Introduction

The Audit Committee directed Internal Audit ("IA") to perform an audit to determine if controls over Commuter Rail Operations are designed adequately and operating effectively to ensure compliance with federal regulations, state laws, and internal policies and procedures as well as to support the achievement of management objectives. The Audit Plan was approved by the Audit Committee on January 31, 2022.

The preliminary assessment phase was concluded on November 29, 2022 and was conducted in accordance with the International Standards for the Professional Practice of Internal Audit, published by the Institute of Internal Auditors.

Background and Functional Overview

UTA maintains a fleet of commuter rail vehicles to provide transportation services across the Wasatch Front. These operations are organized within the Chief Operations Office under the direct management of a Regional General Manager. As of June 2024, the Commuter Rail department had just over 200 employees across operations, maintenance, and management.

Objectives and Scope

The primary areas of focus for the Commuter Rail Operations and Safety assessment were:
- Governance
- Operator training and oversight
- Americans with Disability Act compliance
- Safety

IA reviewed internal policies and procedures, legal and regulatory requirements, interviewed FrontRunner personnel, department leadership, and evaluated control documents to conduct this preliminary assessment.

The follow-up phase focused on determining the status of management action plans from the preliminary assessment phase.

Summary

IA noted that since the preliminary assessment phase, management is devoting greater resources to support the training program. The action plan is considered complete. The second action plan, related to mental health resources, is considered closed. The chaplain program is not currently operating, but additional resources are available sufficient that the risk is adequately addressed.

IA appreciates the assistance offered by FrontRunner management and staff in completing this follow-up engagement.

Attachment A: Details of Recommendations

Preliminary Assessment Finding R-22-01-01 240 and 242 Programs Support	Risk Level: Low

Preliminary Assessment Status

Details:
Certification for Locomotive Engineer ("240") and Conductor ("242") programs are ultimately subject to 49 CFR Parts 240, 242, 243. The FrontRunner training team is responsible for conducting and tracking skills testing done in UTA's 240 and 242 programs. Part of that responsibility is fulfilled by the careful maintenance of proper training records regarding student enrollment, performance, skill progression, and turnover. Furthermore, the training personnel are required to conduct Engineer Skills Performance Assessments as Designated Supervisor of Locomotive Engineers (DSLE); this can take up over 500 workhours annually. The resources devoted to these requirements, along with the other duties of the training staff, leaves scant opportunities to develop innovative curriculum, like that used in simulation programs, to further educate Engineers and Conductors.

Criteria:
240 and 242 program training requirements are set by the Federal Railroad Administration ("FRA") in 49 CFR Parts 240, 242, and 243.
Record management requirements are outlined in sections 240.215, 242.205, and 243.203; which require:

> *"Each employer shall maintain records to demonstrate the qualification status of each safety-related railroad employee that it employs. The records for former safety-related railroad employees shall be accessible for 6 years at the employer's system headquarters after the employment relationship ends"* (243.203).

The records and qualification status include eligibility requirements (outlined in 240.115, 240.117, 240.119, 242.111, 242.113, 242.115, 242.403), knowledge testing (outlined in 240.125, 240.127, 242.121), and completion of a training program (outlined in 240.123, 242.119). These records are updated throughout the year as training and testing are completed.

Criteria for DSLEs is outlined in section 240.105:
> *1. Knows and understands the requirements of this part;*
> *2. Can appropriately test and evaluate the knowledge and skills of locomotive engineers;*
> *3. Has the necessary supervisory experience to prescribe appropriate remedial action for any noted*
> *deficiencies in the training, knowledge or skills of a person seeking to obtain or retain certification;*
> *and*
> *4. Is a certified engineer who is qualified on the physical characteristics of the portion of the railroad on which that person will perform the duties of a Designated Supervisor of Locomotive Engineers.*

These duties include monitoring numerous criteria that while "*a [DSLE] is observing a person to determine whether that individual should be certified or recertified as a qualified locomotive engineer*" (Appendix E to Part 240)

The job description for the Rail Operations Training Leader states that this position should be able to use up to 30% of their time on the following:

Follow-up Report

"Develops and evaluates training curriculum, manages the revision of curriculum to improve effectiveness, and develops customized training programs for current operators in conjunction with Trainers."

The job description for Commuter Rail Operations Trainers states that this position should be able to use up to 20% of their time on the following:

"Works closely with Manager and Assistant Managers of Rail Operations, Training Lead, Supervisors, and training professionals to develop training programs. Evaluates the quality of classroom training and continuously improves the process to support training effectiveness."

Underlying Cause:
The high volume of duties and responsibilities for FrontRunner training staff are time intensive. The majority of the position's time is spent maintaining compliance with existing requirement rather than developing new content and improving the training program.

Potential Risks:
- Non-compliance with Federal training regulations may subject UTA to federal corrective action plans, fines, withdrawal of funding, and/or shut down commuter rail operations until compliance is achieved.
- With limited time to devote to continuous improvement of training programs, UTA's program could become underdeveloped and outmoded.

Recommendations:
1. IA recommends that Commuter Rail management take additional steps to resource training development that may include one or more of the following:
   a. Create a new FTE: Commuter Rail Instructional Designer to focus efforts in evaluating and developing program curriculum (including strategic simulator curriculum).
   b. Provide the Commuter Rail Training team with administrative assistance familiar with thorough and compliant record management.
   c. Expand DSLE duties to other capable supervisors and/or managers

Management Response and Action Plan:
   a. This position has been created and posted for hire. We are currently evaluating applicants with the hope of filling the position by the end of the year.
   b. There are currently two administrative staff available for the training team to utilize. We will be sure to recommunicate to the training team that they are willing and able to assist with any tasks they need help with.
   c. This recommendation has already been completed. We hired a consulting/training company TCS (Training Certification Services) to come in and provide DSLE training to several additional staff members. Of which we certified two new DSLE's to help with certification duties.

Target Completion Date:
All tasks should be completed no later than 12/31/2022.

Current Status: Completed
IA confirmed personnel available for management's action plans through review of organization charts and communication with Commuter Rail management. Commuter Rail currently has an Instructional Designer as part of the training team, has two administrative employees (Office Specialists) to assist the

training team when needed, and has expanded DSLE duties to additional Rail Operations management. Management's response to the recommendations is acceptable.

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Preliminary Assessment Finding R-22-01-02 Mental Health Safety Program   **Risk Level: Medium**

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(See Appendix A for supporting research on mental health impacts and best practices.)

Preliminary Assessment Status

Details:
Management has created formalized plans and practices for addressing employee mental health after their involvement in a critical incident. However, the emotional trauma that employees can experience may not be expressed within the timetables and structures of the existing plans. Discussions with management provided context that the mental health treatment currently provided by UTA partners is valuable and necessary but should only be a part of what UTA can offer to encourage mental health among its employees. Research available on the FRA's Rail Suicide Prevention Resource Page, along with interviews conducted by Mass Transit magazine suggests that the organizational culture of rail employees, the nature of trauma post-incident, and administrative measures can create barriers to an environment that empowers mental health recovery. Management agrees that a more robust system of mental health support needs to be in place to protect all UTA employees from developing disorders such as Post Traumatic Stress Disorder (PTSD) and Acute Stress Disorder (ASD).

Criteria:
UTA FrontRunner Commuter Rail Operations Critical Incident Stress Plan states:
> *This plan is adopted by UTA, in fulfillment of requirements set forth in 49 CFR Part 272, Critical Incident Stress Plans. UTA FrontRunner is committed to employee health, safety and welfare which has been in implementation since inception of the railroad. UTA FrontRunner intends for this plan to operationalize the key elements in responding to critical incidents, ensure its consistent and effective application, provide for its maintenance, continuity, and document its conformance to all requirements of 49 CFR Part 272. UTA Frontrunners Critical Incident Plan seeks to apply evidence supported best practices to:*
> *1. Reduce the likelihood of employees developing disorders such as Post Traumatic Stress Disorder*
> *(PTSD) and Acute Stress Disorder (ASD) as a result of experiencing a critical incident in the workplace; and*
> *2. Provide clear pathways to access evaluation and treatment as indicated to decrease symptoms and promote resilience and recovery.*

Underlying Cause:
Research demonstrates that transit workers can begin to have severe mental health effects due to the stresses of being involved in critical incidents that involve serious injury or death on UTA property. PTSD and ASD symptoms can emerge from the stress that follows a traumatic event and transit workers are susceptible to, and very often exposed to trauma. Some research concludes that employees may develop health complications including sleep issues, recurring thoughts about the incidents, and social isolation from family and coworkers.

Potential Risks:
- Employees may develop neurological disorders like PTSD or ASD from work stressors like critical incidents.

- Accessible evaluation and treatment options due to critical incidents can seem limited and/or administrative rather than focused on individual wellbeing.
- Mental health well-being can be stigmatized without clear communication and direction from the organization, causing morale problems.
- Employee retention rates could decrease without a formal support and recognition of stressors of transit employees.
- Applicant pools for vehicle operators may be limited due to fear of potential involvement in critical incidents without additional support structures to employee mental health.
- Employees with disorders like PTSD or ASD without formalized and ongoing support may require more time off from work.
- Employees with disorders like PTSD or ASD without formalized and ongoing support may have decreased productivity.

Recommendations[1]:

1. UTA should create a Mental Health Safety program to encapsulate and centralize organizational efforts.
    a. Formalize the use of UTA Chaplain services to spearhead UTA's Mental Health Safety program.
    b. Allow UTA Chaplain services to facilitate and support QPR training efforts organization wide.
        i. Require UTA Chaplain services to further train prospective QPR trainers
    c. UTA Chaplain services should establish and facilitate a UTA Peer Support program to teach and enable employees to support each other in empathetic mental health.
        i. Distribute contact information of peer support team members internally.
    d. In executing a Mental Health Safety program, management should implement privacy safeguards according to law and best practice.
2. IA recommends that Commuter Rail Operations update all relevant SOPs, policies, and checklists to include contacting UTA Chaplain services along with Blomquist Hale personnel for critical incidents.

Management Response and Action Plan:
Response to Recommendation 1 by UTA Police Department:
See Appendix B for detailed response.

Response to Recommendation 2 by Commuter Rail Management:
FrontRunner will update all relevant department policies and SOPs to include that UTA Chaplains are a resource available for all employees that are struggling with the aftereffects of critical incidents.

Target Completion Date:
To be determined.

Current Status: Closed
IA confirmed with management that the chaplain program is not currently operating due to chaplain inactivity and unavailability. Subsequently, Commuter Rail management has decided against updating department polices and SOPs because of the ambiguous state of the chaplain program. Management's

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[1] The auditor offers these recommendations based on available research, her professional experience within law enforcement, and relevant academic research in 2018.

decision to not update department policies and SOPs is acceptable because any updates referencing the chaplain program would be obsolete without an operable chaplain program.

Regardless of chaplain unavailability, management maintains its commitment to ensuring the mental health and well-being of employees. This commitment is stated in Commuter Rail's federally required Critical Incident Stress Plan. The Critical Incident Stress Plan requires management to explain relief options, provide support, and refer employees involved in critical incidents to a health care provider (Blomquist Hale). Blomquist Hale personnel are part of the formalized process to offer counseling, guidance, and support services, including assessment, referral, and treatment related to critical incidents. Additionally, Blomquist Hale lists Rapid Crisis Intervention in its summary of services for employee assistance, providing swift and appropriate critical incident response for employees.

Notably, management confirmed that they are regularly looking for additional annual trainings to improve and supplement mental health safety and awareness. Through adherence to the Critical Incident Stress Plan and consistent consideration of additional training, management's response is acceptable.

Appendix A

BC First Responders' Mental Health (2017) Supporting Mental Health in First Responders: Recommended Practices. https://bcfirstrespondersmentalhealth.com/wp-content/uploads/2017/05/Recommended-Practices-for-Supporting-Mental-Health-in-First-Responders-170615.pdf (accessed 11-09-2022).

Federal Railroad Administration (2020) Rail Suicide Prevention Resource Page. https://railroads.dot.gov/highway-rail-crossing-and-trespasser-programs/trespassing-prevention/rail-suicide-prevention (accessed 11-09-2022).

Flores, Jonathan B. (2021) The Perception of Mental Health Intervention Among First Responder Entities. *Trevecaa Nazarene University; School of Graduate and Professional Studies.* https://www.proquest.com/openview/a7e8d131f8dddc177265a2fecc476fd7/1.pdf?pq-origsite=gscholar&cbl=18750&diss=y (accessed 11-09-2022).

Horan, Kristin A., Madeline Marks, Jessica Ruiz, Clint Bowers, and Annelise Cunningham. 2021. "Here for My Peer: The Future of First Responder Mental Health" International Journal of Environmental Research and Public Health 18, no. 21: 11097. https://doi.org/10.3390/ijerph182111097 (accessed 11-09-2022).

Mass Transit Rail (2012, October 9) The Cost of Death. *Mass Transit Magazine.* https://www.masstransitmag.com/rail/article/10810617/the-cost-of-death (accessed 11-09-2022).

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Appendix B

The Utah Transit Authority Police Department has maintained Police Chaplains and Peer Support officers, to support the mental health and wellbeing of its officers and customers. To date the positions have been filled by volunteer chaplains, and UTAPD officers that volunteer as peer support.

Over the past year the chaplains have been requested at other departments at UTA, to assist employees struggling with issues unique to their roles at UTA. The safety department identified a need for chaplain services while conducting suicide prevention training. It was estimated that 150 hours of chaplain services would be needed, above and beyond what they are currently doing for the police department. The demand for chaplain services has reached a point where it can no longer be done on a volunteer basis.

On October 6 2022, $17,000 was moved from community outreach to incident response as part of the SRD grant. This funding is intended to be seed money to help support chaplains responding to help operators after an incident, assisting with suicide prevention trainings, and some time getting to know people at business units.

Information on current chaplains and one prospective chaplain will be provided in a requisition to fill a part time or contact position(s) as a pilot program. Some of the benefits of having paid would be,

- **Immediate Help.** Chaplains have the ability to respond to the scene, or designated facility quickly. They can fill a gap between the time of the incident, and when additional services can be coordinated.
- **Committed time to UTA**. Because the volunteer chaplains have other commitments, sometimes they are not available for call out.
- **Scheduling.** Being able to adjust scheduling so that chaplains would be available for training, and meet and greets at other departments.
- **Relationships.** Chaplains would spend time meeting with individual departments and getting to know employees.
- **Facilitating Critical Incident Debriefings.** All departments
- **Coordination with External Resources.** EAP, counselors, therapists, social workers etc.
- **Coordinate with Peer Support.** Police.
- **Promote Peer Support.** Other Departments.
- **Funeral Planning.** Line of duty deaths.
- **Coordinate religious functions.**

Additional information on UTAs Chaplains and Peer Support:

Police Chaplains:

Volunteer police chaplains have supported Utah Transit Authorities police department since 2016. In addition to supporting officers struggling with issues such as burnout, stress or trauma, the chaplains have served the department by,

- Making regular visits to attend shift briefings to build relationships with officers prior to a critical incident.
- Attending night out against crime, trunk or treat, public event activities with officers.
- Riding with officers during patrol shifts observing department and community needs.

- Sending out newsletters and letters of support during the pandemic when social distancing and quarantines prevented in person visits.
- Supporting police with notifications of death or serious injury. If a family needs more help during a notification, a chaplain can stay with the family, and release the officer to get back in service.
- Facilitating critical incident debriefings after an incident.
- Support the departments peer support officers with their duties.
-

Peer Support:

UTAs Police department has peer support officers that are trained on assisting their fellow officers. Peer support is not in competition with other forms of wellness assistance. It supplements chaplain services and professional resources. The ultimate goal of peer support programs is to provide officers with emotional and tangible support in times of crisis. As with chaplains, peer support officers are often effective because of ***availability***. Peer support officers work the same shifts as the officers, putting them in a position to ask "Are you ok" when they observe unusual behavior? Peer support also understands and can relate to the nature of the work stressors. They can also be tasked with,

- Planning and facilitating critical incident debriefings.
- Family support for injured and killed officers.
- Officer funeral planning and assistance.
- A listening ear for officers after critical incidents or during administrative investigations.
- Coordination with Police Chaplains