



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Board Report

Office of the General Auditor

• General Auditor's Report for April 2024

Summary

This report highlights significant activities of the Office of the General Auditor for the month ended April 30, 2024.

Purpose

Informational

Attachments

None

Detailed Report

Audit & Advisory Services

Twenty-nine projects are in progress:

- Twelve audit projects are in the report preparation phase, including:
 - Two draft reports pending management response (Fuel Regulations, Kennedy/Jenks Contract)
 - Three preliminary draft reports pending management comment (IBI Contract, Surplus Personal Property, Ransomware)
- Thirteen projects are in the execution phase, including eight audits and five advisories.
- Four audit projects are in the planning phase including three new audits added to the audit plan (Sole Source Contracts, Pure Water State Funding, and Software Asset & Inventory Control).

Work priority is being given to carry-forward audits.

Follow-Up Audits

We will follow up on nine audits from prior years. Follow-up audit forms have been received back from management for seven of the audits, and follow-up audit work is in progress for six of the seven.

Board Report (General Auditor's Report for April 2024)

Other General Auditor Activities

1. Confidential Communications

Completed. Collaboration with General Counsel to develop a dual-report format for communicating confidential audit observations and recommendations was completed.

2. FY 2024/25 General Auditor Audit Plan

Work is underway for next fiscal year's audit plan. Twenty-seven meetings with Metropolitan department heads and senior management were completed. Board input for the audit plan was received at the April Audit Subcommittee meeting. We expect to present the audit plan for approval at the June Board of Directors meeting.

3. External Auditor Support

Macias Gini & O'Connell LLP has commenced planning for this fiscal year's external audit. Internal Audit will provide 800 hours of support.

4. Ethics Symposium

The General Auditor and the Deputy General Auditor attended the SoCal Ethics Symposium held at Metropolitan headquarters on April 10 in partnership with LA Metro and the City of Los Angeles. The event focused on sharing insights, challenges, and solutions in the field of government ethics and compliance.

5. Ethics Training

Internal audit personnel attended the Ethics Training covering Metropolitan's gift rules.