



Audit

Tuesday, January 11, 2022, 12:15 P.M.
DART Board Room – 1st Floor
1401 Pacific Ave., Dallas, Texas 75202
(Estimated Meeting Time: 30 minutes)

1. Approval of Minutes: November 16, 2021
2. Public Comments
3. *Briefing on Status of Fiscal Year 2022 Internal Audit Budget
(Jonathan R. Kelly/Chris Koloc) *[5 minutes]*
4. *Briefing on Status of Fiscal Year 2022 Internal Audit Plans
(Jonathan R. Kelly/Chris Koloc) *[5 minutes]*
5. *Briefing on Status of Management Action Plans
(Jonathan R. Kelly/Chris Koloc) *[15 minutes]*
6. Identification of Future Agenda Items
7. Adjournment

***This Is A Briefing Item Only**

The Audit Committee may go into Closed Session under the Texas Open Meetings Act, Section 551.071, Consultation with Attorney, for any legal issues, or under Section 551.074 for Personnel matters, or under Section 551.076 or Section 551.089, Deliberation Regarding Security Devices or Security Audits, arising or regarding any item listed on this Agenda.

Chair – Jonathan R. Kelly

Vice Chair – Vacant

Members – Mark Enoch, Patrick J. Kennedy, and Paul N. Wageman

Staff Liaison – Chris Koloc

**MINUTES
DALLAS AREA RAPID TRANSIT
AUDIT COMMITTEE MEETING
November 16, 2021**

The Dallas Area Rapid Transit **Audit Committee** meeting convened at 10:13 a.m., on Tuesday, November 16, 2021, at DART Headquarters, 1401 Pacific Avenue, Dallas, Texas, with Chair Kelly presiding.

The following Committee Members were present: Jonathan R. Kelly, Dominique P. Torres, Patrick J. Kennedy, and Paul N. Wageman.

Other Board Members present: Gary Slagel, Michele Wong Krause, and Lee Ruiz.

Others present: Chris Koloc, Gene Gamez, Rosa Medina-Cristobal, Nancy Johnson, and Josefina Chavira.

1. Approval of Minutes: October 26, 2021

Mr. Kennedy moved to accept the October 26, 2021, Audit Committee Minutes, into record, as written.

Ms. Torres seconded, and the Minutes were accepted unanimously.

2. Public Comments

There were no public comments.

Mr. Wageman entered the meeting at 10:14 a.m.

3. Approval of Fiscal Year 2021 Performance Evaluation and Compensation for Director of Internal Audit

Chair Kelly stated that it was 10:14 a.m. on Tuesday, November 16, 2021, and unless the individual being reviewed requests that this item be discussed in public, the Dallas Area Rapid Transit Audit Committee was going into Closed Session under the Texas Open Meetings Act, Section 551.074, which allows deliberation of a personnel matter, to discuss Agenda Item 3, Approval of Fiscal Year 2021 Performance Evaluation and Compensation for Director of Internal Audit.

The Committee reconvened into Open Session at 10:51 a.m.

Ms. Wong Krause did not reenter the meeting after the Committee reconvened.

Chair Kelly called for a motion and a second for this item.

Mr. Wageman motioned that this item be considered at a future meeting of the Administration Committee, along with the other three Direct Reports of the agency. He then retracted this motion and restated his motion.

Mr. Wageman motioned to forward this draft resolution to the Committee-of-the-Whole to allow the full Board to have a discussion, not only on Mr. Koloc's future compensation, but that of the other three Direct Reports, and have the benefit of conversations regarding future compensations for all DART employees, and to allow

the Board to make a fully informed decision on the DART Board's Direct Reports' compensations.

Mr. Kennedy seconded, and the motion was approved unanimously.

4. Identification of Future Agenda Items

There were no future agenda items identified for this Committee.

5. Adjournment

There being no further business to discuss, the meeting adjourned at 10:54 a.m.



Josefina Chavira, CAP
Board Committee Secretary

/jc

* Briefing Item



Agenda Report

DATE: January 11, 2022

SUBJECT: Briefing on Status of Fiscal Year 2022 Internal Audit Budget

RECOMMENDATION

This is a briefing item only.

BUSINESS PURPOSE

- DART Audit Committee Charter establishes an oversight process to administer the Agency's internal audit function. It includes review and approval of the annual Internal Audit Department budget, which is then incorporated into the Agency's total budget for submission to the Board for approval.
- The Director of Internal Audit will, on a regular basis throughout the year, update and apprise Committee members of the status and progress of the Internal Audit Department Annual Budget.
- As of December 31, 2021, the Internal Audit Department is under budget. Two major budget categories that are under budget include Salaries and Wages, which is due to open positions in the department, and Accounting and Auditing Services, which is due to auditing services projects that have not been invoiced.
- This agenda item is to update the Audit Committee of the status of Fiscal Year 2022 Internal Audit Budget.



Agenda Report

DATE: January 11, 2022

SUBJECT: Briefing on Status of Fiscal Year 2022 Internal Audit Plans

RECOMMENDATION

This is a briefing item only.

BUSINESS PURPOSE

- DART Audit Committee Charter establishes an oversight process to administer the Agency's internal audit function. The Charter provides for the Director of Internal Audit to submit annual audit plans, using appropriate risk-based methodology, for review and approval to the Audit Committee.
- The Director of Internal Audit will, on a regular basis throughout the year, apprise Committee members of the status and progress of the annual audit plans.
- This agenda item is to update the Audit Committee of Fiscal Year 2022 Financial/Operational, and IT Audit Plans.



Agenda Report

DATE: January 11, 2022

SUBJECT: Briefing on Status of Management Action Plans

RECOMMENDATION

This is a briefing item only.

BUSINESS PURPOSE

- DART Internal Audit Department Charter provides for the Director of Internal Audit to report audit results, management action plans, and target completion to the Audit Committee. The internal audit process includes continuous follow up of prior audit recommendations based on the target completion date.
- This agenda item is to apprise the Audit Committee of the quarterly follow up status of the prior audit recommendations to ensure they are resolved.