



**INTERNAL AUDIT REPORT
Audit Committee Meeting
10/3/24**

INTERNAL AUDITOR'S REPORT

Today's Discussion



- ✓ Status Update
- ✓ Audit Management Software Implementation
- ✓ Initial Audit Findings
 - ✓ C & M Staffing & Structure
 - ✓ Community Investment Grants

Audits (Performed internally) – Fieldwork Stage

- ✓ Grant Process
- ✓ Clean Truck Fund Rate

Audits (outsourcing) – Reporting Stage

- ✓ Community Investment Grants
- ✓ Construction Staffing and Structure

Audit (outsourcing) – Task Order Award Stage

- ✓ Evergreen Permit #888 Review

Non-Audit Services / Consulting Projects

- ✓ Preliminary evaluation of International Seafarer's Association

Other

- ✓ Internal Audit Charter – revisions for new Standards
- ✓ Complete the Audit Manual
- ✓ Add Consulting Contracts – future

- ✓ **AuditBoard selected**
 - ✓ Signed agreement July, 2024
 - ✓ Implementation began September, 2024
 - ✓ Expected to go live in November, 2024
- ✓ **Current status**
 - ✓ Initiation– structure & templates
 - ✓ Discovery phase

AUDIT MANAGEMENT SOFTWARE



INITIATION –
Planning
Templates &
Structure
Training

DISCOVERY –
AuditBoard
reviews
documents &
templates

DESIGN –
AuditBoard
translates Port
requirement
into the site

CONFIGURE –
AuditBoard
loads all data
End-user
training

TEST –
AuditBoard -
walk-through.
IA - UA
testing

LAUNCH –
AuditBoard
Implementation
to Cust.
Engagement

 AuditBoard & IA's involvement

 AuditBoard's role

SOME PRELIMINARY SUMMARY OF FINDINGS – Community Investment Grants

- Excessive timeline between application & check issuance
- Burden of Insurance Requirements
- Applicants want more information on rejections (Tidelands nexus)

STATUS & NEXT STEPS

- Flush out findings and recommendations
- Working with consultants (Arroyo Associates) on report
- Expect to provide the finalized report in November
- Further discussion in subsequent audit meeting

PRELIMINARY SUMMARY OF FINDINGS – C & M Staffing/Structure

- ✓ Additional staffing needed
 - ✓ Trades
 - ✓ Administrative
- ✓ System needs

STATUS & NEXT STEPS

- ✓ Review findings & recommendations with auditees – exit meeting
- ✓ Additional work, if needed
- ✓ Final report
- ✓ Consultant (Matrix Consulting) to present at November Audit Committee meeting