# Background

Austin Transit Partnership (ATP) uses Oracle Cloud Fusion ("Oracle") as its financial and human capital management system. Oracle includes cloud-based functionality to manage core financial functions like making general ledger entries, processing payables and receivables, and tracking fixed assets. Oracle also manages human resources functions like payroll and employee benefits.

ATP began using its own tenant of Oracle in October 2023. Before this, ATP's finances were managed within the CapMetro tenant of Oracle. ATP's Information Technology team worked closely with CapMetro and Application Software Technology (AST) to successfully migrate the organization's financial functions into an ATP-specific tenant of Oracle Cloud Fusion. Management worked with AST to transition ATP's human capital management from UltiPro to Oracle in April 2024.

For this audit, we looked at how ATP assigns users roles in Oracle, and evaluated how critical functions are dispersed within the system. This distribution of tasks between different people is called separation of duties, and it's depicted in Exhibit 1. Proper separation of duties can reduce financial risks and can help prevent and detect errors or fraudulent activity.

Exhibit 1: Separation of Duties
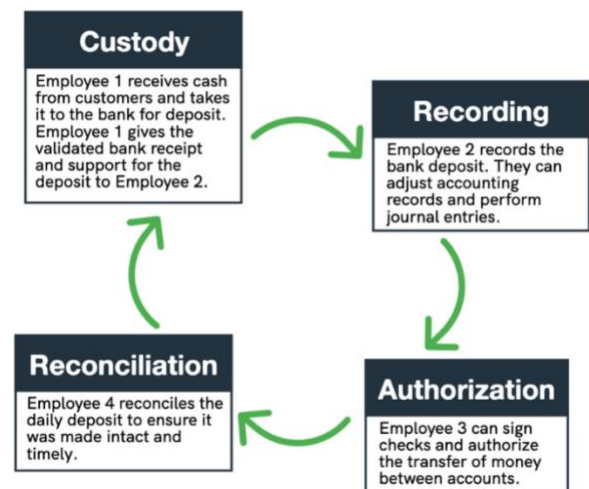
Example of proper separation of duties for cash handling

Results

Overall, we found that ATP has implemented processes to ensure that critical financial activities are appropriately distributed across multiple individuals, but improvement is needed to ensure appropriate access is assigned to users in Oracle. While we noted a few instances of conflicting role assignments, further testing showed there are sufficient compensating controls to provide appropriate reviews and oversight of Oracle transactions, reducing the risk of errors and fraudulent activity. ATP can improve how system access is assigned and reviewed, vendor management in Oracle, and policies relating to salary adjustments.

We issued four recommendations to address these risks. Management agreed with the recommendations and plans to implement corrective actions by March 2026.

Austin Transit Partnership Internal Audit Team
Katie Houston, Chief Audit Executive
Cameron Lagrone, Senior Auditor

Objective: Have proper separation of duties been established in ATP's key systems to appropriately disperse critical functions?

Scope: Roles assigned in Oracle related to system access, financial and HR activities, and vendor management.