

MISSION

The mission of Internal Audit is to help improve ATP's governance, control, and risk management through independent, objective assurance and advisory services. In accordance with the authority and responsibilities outlined in ATP's Audit Charter, Internal Audit is organizationally independent of ATP administration and reports directly to the ATP Board.

Internal Audit governs itself by adhering to the mandatory elements of The Institute of Internal Auditors' Global Internal Audit Standards.

ABOUT US

Additional information on who we are, what we do, our professional resources, and the results of our audit projects are available on our [website](#).

ETHICS HOTLINE

If you have a concern about potential misconduct or a violation of ATP policies, we provide simple and anonymous ways to voice your concerns. Visit our [online ethics portal](#) or call 888-57-ATPTX (2-8789) for assistance.

For questions about this plan, please contact us at atp_audit@atptx.org.

What is the purpose of this plan?

Each year, we share information on what we intend to audit in the upcoming fiscal year. We issue our plan at the start of ATP's fiscal year to align our work with the fiscal cycle that ATP follows. Providing this information helps us increase transparency at ATP and notifies the public, the Board, and management about the specific aspects of ATP's governance, control, and risk management we will primarily focus on in the upcoming year. Further, the audit standards we follow require us to periodically prepare and submit an audit plan to the Board for approval.

How was this plan created?

Internal Audit performed an organizational risk assessment to evaluate the governance, risk management, and control operations of ATP to prepare the list of priority projects included in this plan. These projects are intended to provide the greatest possible benefit to ATP given resources and combined assurance from other oversight functions.

What types of projects are included in this plan?

Projects in this plan include audit and advisory services to be conducted by Internal Audit, with support from external assurance providers. This plan also includes our annual follow-up work, as detailed in the audit recommendations [dashboard](#), so we can continuously monitor the progress ATP makes in addressing risks and recommendations noted in previous years. If needed, this plan will be revised throughout the year in response to changes in ATP's risk environment, operations, and controls. Significant deviations will be discussed with the Board, in addition to our progress on completing this plan.

What's new this year?

At least once every five years, Internal Audit functions that follow the Global Internal Audit Standards must obtain an external quality assessment. The external assessment must be performed by an independent assessor or assessment team and include a comprehensive review of the adequacy of the internal audit function's including: conformance with audit standards; competencies and due professional care; integration into the organization's governance processes and ability to operate independently; and contributions to improve organizational governance, risk management, and control. We plan to have this assessment completed by September 2027 and the results of this review will be shared with the Board.

What happens if these projects cannot be completed?

If we determine one or more of the planned projects cannot be completed or would provide more value later, we will replace the planned project(s) with an alternative from the pool of priority replacement projects if resources allow.



FY27 Proposed Annual Audit Plan

AUDIT AND ADVISORY SERVICE PROJECTS

Topic	Preliminary Objective	Type
Pre-Construction Quality Management Plans	Determine if ATP's Quality Management Plans are properly designed, approved, and carried out, and if identified non-conformance is effectively remedied.	Audit
Purchasing Card Spending	Review ATP spending to evaluate purchasing card controls, policy compliance, and processes to prevent and detect card misuse and unauthorized transactions.	Audit
Best Practice Review of Pre-Grant Program Tracking and Reporting	Review industry best practices for tracking and reporting pre-grant program progress.	Advisory Service
Long-term Retention of Project Staff	Evaluate best practices for retaining internal and outsourced staff throughout long-term capital improvement programs, including: - ATP's methods for tracking staff assigned to Austin Light Rail initiatives, and - ATP's use of in-house versus external resources compared with peer organizations.	Advisory Service
Other Risk Advisory Services	Provide input on ATP policies and processes to enhance internal controls and participate as risk advisor in various capacities, as requested by the Board or management.	Advisory Service

OTHER PROJECTS

Topic	Preliminary Objective
Annual Audit Planning	Perform entity-wide risk evaluation and prepare next year's annual audit plan
Audit Follow-up	Evaluate management actions taken to address previously issued audit recommendations
Ethics Investigations	Review complaints received through the ethics hotline and conduct investigations as needed
External Quality Assessment Review	Obtain an external quality assessment from qualified independent assessors to confirm ATP's compliance with Global Internal Audit Standards
Fraud, Waste, and Abuse Training	Provide fraud, waste, and abuse training and education to ATP staff and contractors

NOTE: Resources needed to complete this plan are considered as part of ATP's annual budget deliberations which occur each year in September. Internal Audit will notify the Board if resource needs change as we carry out this plan.