



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Board Report

Office of the General Auditor

• General Auditor's Report for June 2025

Summary

This report highlights significant activities of the Office of the General Auditor for the month ended June 30, 2025.

Purpose

Informational

Attachments

None

Detailed Report

Audit & Advisory Projects

Twenty-five projects are in progress:

- Seven audit projects are in the report preparation phase.
 - One preliminary draft report was issued: Cybersecurity Audit: Software Asset Inventory & Control.
 - No management responses are outstanding.
- Seventeen projects are in the execution phase, including eight audits and nine advisories.
- One project is in the planning phase.

Work priority is being given to the seven carryforward audits.

Follow-Up Reviews

Thirteen audits are in the follow-up phase:

- One preliminary draft report was issued: First Follow-Up Review: Travel & Employee Expense Reports
- Eight follow-up reviews are in progress.
- Four follow-up reviews have not been started.

No follow-up review forms are overdue.

Date of Report: July 8, 2025

Board Report (General Auditor's Report for June 2025)

Other General Auditor Activities

1. General Auditor's Internal Audit Plan for Fiscal Year 2025/26

Completed. The FY 2025/26 audit plan was presented and approved by the Board at the June Board of Directors' meeting.

2. 2025 Business Plan

Completed. The General Auditor's Business Plan, including FY 2024/25 accomplishments and FY 2025/26 goals, was prepared and presented to the Audit Committee this month.

3. Senior Audit Manager Recruitment

The final recruitment steps are in progress.

4. Professional Certifications

Assistant General Auditor Kathryn Andrus obtained the Institute of Internal Auditors' Certified Internal Auditor (CIA) professional certification.

5. External Resources RFQ

The period for accepting submittals for the specialty internal audit services RFQ has closed; evaluation of the submittals is pending.

6. External Auditor Support

Assistance to external auditor Macias Gini & O'Connell LLP (MGO) for the annual financial audit has started. Internal Audit will provide 800 hours of support.

7. Global Internal Audit Standards

Evaluation and adoption of the updated standards issued by the Institute of Internal Auditors, effective January 9, 2025, is in progress. Board roles and responsibilities, per the Standards, are expected to be presented as an information item at the September meeting of the Audit Committee.

8. Training

One staff member completed the IIA's IT General Controls Certificate Program. Additionally, staff attended Single Audit, Fraud in Plain Sight: Why Auditors Lose the Fight, and MGO Annual State and Local Government training.