



**Agenda - Final**  
**Capital Metropolitan**  
**Transportation Authority**  
**Finance, Audit and Administration**  
**Committee**

2910 East 5th Street  
Austin, TX 78702

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**Wednesday, November 13, 2024**

**10:00 AM**

**Rosa Parks Boardroom**

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This meeting will be livestreamed at [capmetrotx.legistar.com](http://capmetrotx.legistar.com)

**I. Call to Order**

**II. Public Comment:**

**III. Action Items:**

1. Approval of minutes from the October 16, 2024 Finance, Audit and Administration Committee meeting.
2. Approval of a resolution authorizing the President & CEO, or her designee, to finalize a contract for the purchase of Medical Stop Loss Insurance for claims above \$225,000 from Voya Employee Benefits for one (1) year in an amount not to exceed \$857,561.
3. Approval of a resolution approving the Fiscal Year 2024 performance review for Terry Follmer, Vice President of Internal Audit.

**IV. Presentations:**

1. Internal Audit FY2025 Audit Plan Status - November 2024
2. Executive Finance and Administration Monthly Update - November 2024  
Update on recent activities, statistical data, personnel changes, communications and public outreach with a focus this month on external audits

**V. Executive Session:**

Section 551.074 for Personnel Matters: Discussion of Vice President, Internal Audit FY2023 Annual Performance Review

Section 551.076 for Deliberation regarding Security Devices or Audits for review of a recent cybersecurity resilience report

**V. Items for Future Discussion**

**VI. Adjournment**

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## ADA Compliance

*Reasonable modifications and equal access to communications are provided upon request. Please call (512) 369-6040 or email [ed.easton@capmetro.org](mailto:ed.easton@capmetro.org) if you need more information.*

*Committee Members: Matt Harriss, Chair; Leslie Pool, Becki Ross and Dianne Bangle.*

*The Board of Directors may go into closed session under the Texas Open Meetings Act. In accordance with Texas Government Code, Section 551.071, consultation with attorney for any legal issues, under Section 551.072 for real property issues; under Section 551.074 for personnel matters, or under Section 551.076, for deliberation regarding the deployment or implementation of security personnel or devices; arising regarding any item listed on this agenda.*



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Finance, Audit and Administration Committee

**Item #:** AI-2024-1333

**Agenda Date:** 11/13/2024

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Approval of minutes from the October 16, 2024 Finance, Audit and Administration Committee meeting.

**Minutes**  
**Capital Metropolitan**  
**Transportation Authority**  
**Finance, Audit and Administration**  
**Committee**

2910 East 5th Street  
Austin, TX 78702

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**Wednesday, October 16, 2024**

**10:00 AM**

**Rosa Parks Boardroom**

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**I. Call to Order**

10:01 a.m. Meeting Called to Order

<b>Present</b>	Leslie Pool, Matt Harriss, and Dianne Bangle
<b>Absent</b>	Becki Ross

**II. Public Comment**

Zenobia Joseph provided public comments.

**III. Action Items**

1. Approval of minutes from the September 11, 2024 Finance, Audit and Administration Committee meeting.

A motion was made by Bangle, seconded by Pool, that this Minutes be adopted. The motion carried by the following vote:

**Aye:** Pool, Harriss, and Bangle

2. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an Interlocal Agreement with the University of Texas at Austin, for participation in the University’s IC2 Institute Readiness Training Program (RTP) for an amount not to exceed \$120,000 for a term of two years beginning November 1, 2024, thru October 31, 2025 (“Initial Term”), with a one-year option term.

A motion was made by Bangle, seconded by Pool, that this Resolution be recommended for the consent agenda to the Board of Directors, due back on 10/28/2024. The motion carried by the following vote:

**Aye:** Pool, Harriss, and Bangle

3. Approval of a resolution adopting the FY2025 Annual Internal Audit Plan.

A motion was made by Pool, seconded by Bangle, that this Resolution be recommended for the action item agenda to the Board of Directors, due back on 10/28/2024. The motion carried by the following vote:

**Aye:** Pool, Harriss, and Bangle

**IV. Presentations**

1. Review of Internal Audit Advisory Project -- Saltillo Lease
2. Review of Miscellaneous Revenues and the 2021 Quadrennial Performance Audit Trackers
3. Internal Audit FY2024 Audit Plan Status - October 2024
4. Executive Finance and Administration Monthly Update - October 2024  
*Update on recent activities, statistical data, personnel changes, communications and public outreach*

**V. Items for Future Discussion**

**VI. Adjournment**

10:50 a.m. Meeting Adjourned

**ADA Compliance**

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*Committee Members: Matt Harriss, Chair; Leslie Pool, Becki Ross and Dianne Bangle.*

*The Board of Directors may go into closed session under the Texas Open Meetings Act. In accordance with Texas Government Code, Section 551.071, consultation with attorney for any legal issues, under Section 551.072 for real property issues; under Section 551.074 for personnel matters, or under Section 551.076, for deliberation regarding the deployment or implementation of security personnel or devices; arising regarding any item listed on this agenda.*

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Finance, Audit and Administration Committee  
**Agenda Date:** 11/13/2024

**Item #:** AI-2024-1327

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize a contract for the purchase of Medical Stop Loss Insurance for claims above \$225,000 from Voya Employee Benefits for one (1) year in an amount not to exceed \$857,561.

**FISCAL IMPACT:**

Funding for this action is in the proposed FY2025 Operating Budget.

**STRATEGIC PLAN:**

**Strategic Goal Alignment:**

- 1. Customer
- 2. Community
- 3. Workforce
- 4. Organizational Effectiveness

**Strategic Objectives:**

- 1.1 Safe & Reliable Service
- 1.2 High Quality Customer Experience
- 1.3 Accessible System
- 2.1 Support Sustainable Regional Growth
- 2.2 Become a Carbon Neutral Agency
- 2.3 Responsive to Community and Customer Needs
- 2.4 Regional Leader in Transit Planning
- 3.1 Diversity of Staff
- 3.2 Employer of Choice
- 3.3 Expand Highly Skilled Workforce
- 4.1 Fiscally Responsible and Transparent
- 4.2 Culture of Safety
- 4.3 State of Good Repair

**EXPLANATION OF STRATEGIC ALIGNMENT:** Purchase of stop loss insurance for high-cost health claims supports fiscal responsibility by mitigating CapMetro’s risk if employees or family members covered by CapMetro’s self-insured health care plan experience annual claim costs exceeding \$225,000 annually.

**BUSINESS CASE:** Each year CapMetro works with Gallagher Benefits Services to assess the level of stop loss insurance recommended based on our large claims history. Gallagher then works with the insurance market to obtain quotes for the recommended stop-loss insurance. For Calendar Year 2025, CapMetro recommends increasing the stop loss limit from \$200,000 to \$225,000, based on the analysis of large claims history compared to the cost of stop loss insurance.

**COMMITTEE RECOMMENDATION:** The item was presented and recommended for approval by the Finance,

Audit and Administration Committee on November 13, 2024.

**EXECUTIVE SUMMARY:** Gallagher Benefits Services has obtained quotes for stop loss insurance from United Healthcare, Voya Employee Benefits and High Mark (HM) Insurance Group. The price quote from Voya for \$225,000 individual stop loss insurance is \$310,887 less than the current stop loss insurance with Highmark Insurance Group and the lowest of the quotes received. The Stop Loss coverage provided by Voya Employee Benefits is underwritten by ReliaStar Life Insurance Company, a member of the Voya family of companies. Both Voya Financial and ReliaStar Life Insurance Company have an AM Best rating of A (Excellent). Voya Employee Benefits is an industry leader and one of the nation's largest direct writers of excess risk (stop loss) insurance for more than 40 years. Voya Employee Benefits, a division of ReliaStar Life Insurance Company, also offers group life, voluntary and disability income insurance products through employers.

**DBE/SBE PARTICIPATION:** Does not apply.

**PROCUREMENT:** CapMetro's Procurement and Acquisition Policy lists insurance as an expense that does not require a Purchase Agreement

**RESPONSIBLE DEPARTMENT:** People and Culture

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**A1-2024-1327**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management recognize the fiscal responsibility to mitigate risks associated with large medical claims.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to finalize a contract for the purchase of Medical Stop Loss Insurance for claims above \$225,000 from Voya Employee Benefits for one (1) year in an amount not to exceed \$857,561.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**





# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

Finance, Audit and Administration Committee  
**Agenda Date:** 11/13/2024

**Item #:** AI-2024-1106

**SUBJECT:**

Approval of a resolution approving the Fiscal Year 2024 performance review for Terry Follmer, Vice President of Internal Audit.

**FISCAL IMPACT:**

Funding for this action is available in the FY2025 Operating Budget

**STRATEGIC PLAN:**

**Strategic Goal Alignment:**

- 1. Internal/External Customer Service Excellence     2. Stakeholder Engagement
- 3. Financial and Environmental Sustainability     4. Staff Development     5. Agency Growth Management

**Strategic Objectives:**

- 1.1 Safety & Risk                       1.2 Continuous improvement                       1.3 Dynamic Change
- 1.4 Culture of Innovation               2.1 Be an Employer of Choice                       2.2 Organization Development
- 2.3 Organization Culture               3.1 Resource optimization                       3.2 Safety Culture
- 3.3 Environmental Leadership     4.1 Educate & Call to Action                       4.2 Build Partnerships
- 4.3 Value of Transit                       4.4 Project Connect

**EXPLANATION OF STRATEGIC ALIGNMENT:** As a leader in the organization, the performance review is used for improving the organizational development of the Internal Audit department and the Vice President of Internal Audit.

**BUSINESS CASE:** Completion of performance reviews at least annually is important in order to provide feedback on completion of annual goals, input for improvement opportunities, and to support merit pay adjustments.

**COMMITTEE RECOMMENDATION:** Does not apply.

**EXECUTIVE SUMMARY:** By statute, Capital Metro’s Vice President of Internal Audit reports directly to the Board

of Directors. The Board has delegated development of the performance plan and the performance review process for the Vice President of Internal Audit to the Finance, Audit, and Administration Committee.

The Committee's review of the performance of the Vice President of Internal Audit for Fiscal Year 2024 has resulted in a performance rating of \_\_\_\_\_.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: People and Culture

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2024-1106**

WHEREAS, the Vice President of Internal Audit reports to the Board of Directors; and

WHEREAS, the annual review of the Vice President of Internal Audit’s performance has been delegated by the Board to the Finance, Audit, and Administration Committee.

NOW, THEREFORE, BE IT RESOLVED that the Fiscal Year 2024 performance review for Terry Follmer, Vice President of Internal Audit, has resulted in a performance rating of \_\_\_\_\_.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Finance, Audit and Administration Committee  
**Agenda Date:** 11/13/2024

**Item #:** AI-2024-1317

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Internal Audit FY2025 Audit Plan Status - November 2024

**FY25 INTERNAL AUDIT PLAN**  
*Department Scorecard*

Projects	Status & % Complete	Additional Details
<b><u>FAA COMMITTEE &amp; INTERNAL AUDIT CHARTER COMPLIANCE</u></b>		
1 Finance, Audit & Administration (FAA) Committee Meetings: 10/16; 11/13; 12/9	In-Process	Ongoing
2 Semi-annual Implementation Status Report - November 2024	In-Process	December
3 Semi-annual Implementation Status Report - May 2025		
4 FY2025 Risk Assessment & development of FY26 Audit Plan		
<b><u>FY25 Audit Assurance &amp; Advisory Projects</u></b>		
1 Keolis Payroll Pass Through Controls	In-Process	
2 MTM Payroll Pass Through Controls - New Contract in Demand Response		
3 FastPath - Analyze Oracle segregation of duties	In-Process	
4 Oracle Survey - User Satisfaction & Opportunities		
5 Capital Projects - Costs & Reporting Controls		
6 Police Dept Standup (Recordkeeping & Compliance Requirements)		
7 Inventory Controls (Fuel & Parts) & Utilities (Electricity)	In-Process	UT Interns
8 A/P Non-PO & P-Card Controls	In-Process	UT Interns
9 Brinks Contract and Outsourced Treasury Controls		
10 Keolis - Bus Maintenance & Training		
11 Automation of Bus Incidents/Accidents Reporting	In-Process	
12 Safety Management System (SMS) - Management of Change	Draft Report	
13 Bus Charging Infrastructure & EV Program	Draft Report	
14 Bytemark Contract for e-Tickets & Collections - Administrative Fees	In-Process	
15 United Healthcare - Eligibility & Payment Support	In-Process	
16 McKalla Station - Capital Project Controls	Draft Report	
17 CLS System for Right of Way Revenues (Permits, RWIC, Licenses)	Draft Report	
18 BikeShare Program	In-Process	
19 NIST Cybersecurity Framework (CISA Facilitated Self Assessment) - re-assessment from 2024 baseline		
20 Annual Cybersecurity Review (Verizon)		
<b><u>CONTINGENT AUDIT PROJECTS - FY25</u></b>		
1 Lease Vehicle Program - non-Revenue Vehicles		
2 Microsoft Sharepoint & Active Directory		
3 Real Estate - Life Cycle Management & Controls		
4 Grant Reporting Proccs (Small Starts, Single Audit, Subrecipients)		
5 Board Policies/Goals - Monitoring & Reporting (e.g. OTP; Fare Recovery; DBE; Title		
6 Equity Analysis; etc.)		

<b><u>NEW PROJECTS ADDED TO FY25 AUDIT PLAN by Terry Follmer</u></b>		
1		
2		



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Finance, Audit and Administration Committee

**Item #:** AI-2024-1318

**Agenda Date:** 11/13/2024

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Executive Finance and Administration Monthly Update - November 2024

*Update on recent activities, statistical data, personnel changes, communications and public outreach with a focus this month on external audits*