



Date: September 01, 2021
Current Meeting: September 16, 2021
Board Meeting: September 23, 2021

BOARD MEMORANDUM

TO: Indianapolis Public Transportation Corporation (IPTC) Board of Directors
THROUGH: President/CEO Inez P. Evans
FROM: Deputy of Governance & Audit Brian Atkinson
SUBJECT: Consideration and Approval of Memorandum of Understanding (MOU) Assessment

ACTION ITEM A – 7

RECOMMENDATION:

Review and receive Governance & Audit Report 2021-04
Memorandum of Understanding (MOU) Assessment

BACKGROUND:

The FY 2021 Internal Audit Work Plan approved by the Governance and Audit Committee included a Memorandum of Understanding Assessment.

DISCUSSION:

IPTC enters into MOUs, Interlocal Cooperation Agreements (ICAs), Utility Reimbursement Agreements (URAs) and other arrangements with local governments, utility companies and other entities, as needed. IPTC had nine active agreements with seven separate counterparties at the time of our review.

This report includes two recommendations with the overall risk associated with this Memorandum of Understanding assessment rated as “Medium.” Our observations relate to:

- Agreement Format and Terms – IPTC can continue to standardize and update its format and terms for MOUs and related agreements.
- Agreement with the City supporting the Transit Plan Implementation – IPTC should continue to seek clarifications to this agreement, which is integral to its operations, budget, and the riding public.

We would like to thank IPTC staff and all those involved in assisting us in connection with the audit.

ALTERNATIVES:

N/A

FISCAL IMPACT:

No Fiscal Impact

DBE/XBE DECLARATION:

N/A

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

This action will be reviewed by the Governance & Audit Committee on September 16, 2021.