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**SUPERVISOR RIDLEY-THOMAS CALLS FOR AUDIT OF
MTA'S LITIGATION COST MANAGEMENT PRACTICES**

LOS ANGELES – Concerned about rising litigation cost by the Metropolitan Transportation Authority, Supervisor Mark Ridley-Thomas today urged the Board of Supervisors to authorize an audit by the County Auditor-Controller of the agency's cost management process.

The MTA reportedly spent more than \$30 million on a recent case, \$10 million of which may have been spent without approval of the MTA Board of Directors. MTA officials are forecasting a \$250 million operating deficit, the largest in the agency's history, because of cuts in state funding as well as a decline in ridership.

In his motion, Supervisor Ridley-Thomas said the Supervisors and MTA Directors should be concerned about whether appropriate controls, reviews and approvals took place in recent cases.

He called on the Supervisors to introduce a motion at the next MTA Board meeting to authorize an audit to be performed or supervised by the Auditor-Controller, to conduct a preliminary review of MTA's litigation cost management process and report back to the MTA Board within 30 days of the MTA action with an inventory of MTA litigation cases in the last three years.

The report also will include a cost estimate for performing an in-depth litigation cost management review of sample cases and it will propose a scope for an in-depth review of MTA'S case management practices, compliance with procedures and risk management best practices.

The Supervisors have been working to minimize and reduce the County's litigation cost, including establishing policies requiring settlements to be recommended by the County Claims Board and approved by the Board. The Supervisors have also required departments to provide corrective action plans to reduce future losses.

The Board previously instructed the Auditor-Controller to review the County Counsel's litigation cost management practices, including evaluating the usefulness and quality of management reports, and reviewing individual cases to ensure they were handled, settled and documented appropriately.

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