

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

## DRAFT MINUTES

### CENTRAL FLORIDA EXPRESSWAY AUTHORITY AUDIT COMMITTEE MEETING June 20, 2018

Location: Central Florida Expressway Authority  
4974 ORL Tower Road  
Orlando, FL 32807  
Pelican Conference Room 107

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#### Committee Members Present:

Kaye Dover, Osceola County Representative, Chairman  
Bruce McMenemy, Seminole County Representative  
Brian Battles, City of Orlando Representative  
Eric Gassman, Orange County Representative  
Megan Zee, Citizen Representative

#### Committee Members Not Present:

Kristy Mullane, Lake County Representative

#### Also Present:

Ruth Valentin, Recording Secretary/Administrative Coordinator  
Laura Kelley, Executive Director  
Lisa Lombard, CFO  
Joe Passiatore, General Counsel  
Linda Lanosa, Deputy General Counsel  
Corey Quinn, Chief of Technology/Operations  
Aneth Williams, Director of Procurement  
Phil Fretwell, Protiviti  
Teresa Mallery, Protiviti  
David Taylor, Protiviti  
Chris Porter, Protiviti

#### **A. CALL TO ORDER**

The meeting was called to order at approximately 9:28 a.m. by Chairman Kaye Dover.

#### **B. PUBLIC COMMENT**

There was no public comment.

**C. APPROVAL OF MINUTES**

The minutes of the February 21, 2018 Audit Committee Meeting were presented for approval. Eric Gassman advised of a typographical error in the spelling of Mr. Gassman's name.

**A motion was made by Mr. Gassman and seconded by Mr. Battles to approve the February 21, 2018 minutes with the corrections as discussed. The motion carried unanimously with four (4) members present voting AYE by voice vote; Ms. Mullane and Mr. McMenemy were not present.**

**D. RECOMMENDATION OF INTERNAL AUDITOR**

Lisa Lombard, CFO, presented the Recommendation of Internal Auditor.

**A motion was made by Mr. Battles and seconded by Mr. Gassman to accept the Recommendation of Internal Auditor as presented. The motion carried unanimously with four (4) members present voting AYE by voice vote; Ms. Mullane and Mr. McMenemy were not present.**

**E. INTERNAL AUDIT MATTERS**

**1. Status Update: Fiscal 2018 Internal Audit Plan**

Teresa Mallary of Protiviti presented an update on the Status of the Fiscal Year 2018 Internal Audit Plan.

(This item was presented for information only. No formal committee action was taken.)

**2. Review and Acceptance of 2018 Internal Audit Reports**

**a. Ethics Policy Audit**

Ms. Mallary of Protiviti presented the Ethics Policy Audit for review and acceptance.

**A motion was made by Mr. Gassman and seconded by Mr. Battles to accept the Ethics Policy Audit as presented. The motion carried unanimously with four (4) members present voting AYE by voice vote; Ms. Mullane and Mr. McMenemy were not present.**

Bruce McMenemy arrived at this time 9:45 a.m.

**b. Tolling System Replacement Review Phase III Vulnerability Scanning**

Chris Porter of Protiviti presented the Tolling System Replacement Review Phase III Vulnerability Scanning for review and acceptance.

**A motion was made by Ms. Zee and seconded by Mr. Gassman to accept the Tolling System Replacement Review Phase III Vulnerability Scanning as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote; Ms. Mullane was not present.**

**c. IT General Controls Review**

Mr. Porter presented the IT General Controls Review Audit for review and acceptance.

**A motion was made by Mr. Battles and seconded by Mr. McMenemy to accept the IT General Controls Review Audit as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote; Ms. Mullane was not present.**

**d. Pay By Plate Audit**

Ms. Mallary presented the Pay By Plate Audit for review and acceptance.

**A motion was made by Mr. Gassman and seconded by Ms. Zee to accept the Pay By Plate Audit as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote; Ms. Mullane was not present.**

**3. Physical Security Assessment**

Ms. Mallary informed the committee that the Physical Security Assessment has been added to the FY 2018 audit plan. This audit should be completed by June 30, 2018.

(This item was presented for information only. No formal committee action was taken.)

**4. Review and Acceptance of the Fiscal 2019 Internal Audit Plan**

Phil Fretwell of Protiviti presented the Fiscal 2019 Internal Audit Plan for review and acceptance.

**A motion was made by Mr. McMenemy and seconded by Ms. Zee to accept the Fiscal 2019 Internal Audit Plan as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote; Ms. Mullane was not present.**

**5. Annual Confirmation of No Disagreements with Management**

Mr. Fretwell informed the Audit Committee members that Protiviti had no disagreements with management for Fiscal Year 2018.

**6. Annual Discussion Regarding Internal Audit Performance and Effectiveness**

Discussion was had regarding the Internal Audit Performance and Effectiveness. The committee stated Protiviti has done a great job with communicating and reporting.

**F. ANNUAL MANAGEMENT OF INTERNAL CONTROL MATTERS**

**1. Effectiveness of the Internal Control System, Including IT Security and Control**

Ms. Lumbard spoke regarding the effectiveness of internal control.

**2. Process for Assessing, Monitoring and Controlling Significant Risks**

Ms. Lumbard informed the Audit Committee members the process for assessing, monitoring and controlling significant risks.

**3. System for Monitoring Compliance with Laws and Regulations**

Joe Passiatore, General Counsel, spoke regarding monitoring compliance.

**4. Adequacy, Administration and Compliance with the Authority's Code of Ethics**

Mr. Passiatore spoke regarding effectiveness of the system for monitoring compliance with ethics code.

**5. Procedures for "Hotline" Reporting**

Laura Kelley, Executive Director, informed the committee that no calls have been received through the hotline.

**G. ANNUAL DISCUSSION REGARDING AUDIT COMMITTEE AND INDIVIDUAL MEMBER PERFORMANCE**

Discussion was had regarding the Audit Committee and individual member performance.

**H. CONFIRMATION OF COMPLETION OF RESPONSIBILITIES IN THE AUDIT COMMITTEE CHARTER**

Mr. Fretwell provided the Audit Committee Charter to the committee. All responsibilities have been completed for fiscal year 2018. A matrix has been provided to confirm completion of responsibilities.

**I. OTHER BUSINESS**

None.

**J. ADJOURNMENT**

Chairman Dover adjourned the meeting at approximately 10:52 a.m.

Minutes approved on \_\_\_\_\_, 2018.

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