CENTRAL FLORIDA EXPRESSWAY AUTHORITY

AGENDA
CENTRAL FLORIDA EXPRESSWAY AUTHORITY
AUDIT COMMITTEE MEETING
June 20, 2019
1:00 PM

Meeting location: Central Florida Expressway Authority
Pelican Room #107
4974 ORL Tower Road
Orlando, FL 32807

A.   CALL TO ORDER

B.   PUBLIC COMMENT – Pursuant to Florida Statute 286.0114 the Audit Committee will allow public comment on any matter either identified on this meeting agenda as requiring action, or anticipated to come before the Committee for action in reasonable proximity to this meeting. Speakers shall be limited to three minutes per person and the assignment of one person's time to another or designation of group spokesperson shall be allowed at the discretion of the Committee Chairman.

C.   APPROVAL OF THE APRIL 29, 2019 MINUTES – (Action Item)

D.   INTERNAL AUDIT MATTERS – Protiviti

   1.   Status Update: Fiscal 2019 Internal Audit Plan – (Info Item)

   2.   Review and Acceptance of Fiscal 2019 Internal Audit Reports – (Action Item)

   a. Toll Revenue Audit

   b. Accounting and Finance Controls Review

   c. Ransomware Review

   3.   Review and Acceptance of the Fiscal 2020 Internal Audit Plan – (Action Item)

   4.   Annual Confirmation of No Disagreements with Management

   5.   Annual Discussion Regarding Internal Audit Performance and Effectiveness

E.   ANNUAL DISCUSSION REGARDING AUDIT COMMITTEE AND INDIVIDUAL MEMBER PERFORMANCE – Megan Zee

F.   AUDIT COMMITTEE CHARTER UPDATES – Joe Passiatore – (Info Item)

G.   CONFIRMATION OF COMPLETION OF RESPONSIBILITIES IN THE AUDIT COMMITTEE CHARTER – Protiviti

H.   OTHER BUSINESS

I.   ADJOURNMENT

This meeting is open to the public.

Note: Any person who decides to appeal any decision made at this meeting will need record of the proceedings and for that purpose, may need to ensure that a verbatim record of the proceedings is made which includes the testimony any evidence upon which the appeal is to be based, per Florida Statute 286.0105.

In accordance with the Americans with Disabilities Act (ADA), if any person with a disability as defined by the ADA needs special accommodation to participate in this proceeding, then not later than two (2) business days prior to the proceeding, he or she should contact the Central Florida Expressway Authority at (407) 690-5000.

Persons who require translation services, which are provided at no cost, should contact CFX at (407) 690-5000 x5316 or by email at Iranetta.dennis@CFXway.com at least three business days prior to the event.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

DRAFT MINUTES
CENTRAL FLORIDA EXPRESSWAY AUTHORITY
AUDIT COMMITTEE MEETING
April 29, 2019

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

Committee Members Present:
Megan Zee, Citizen Representative, Chairman
Brian Battles, City of Orlando Representative
Kaye Dover, Osceola County Representative
Kristy Mullane, Lake County Representative
Randy Singh, Orange County Representative

Participating by Phone:
Timothy Jecks, Seminole County Representative
John Rushing, Protiviti

Also Present:
Lisa Lumbard, Chief Financial Officer
Joseph L. Passiatore, General Counsel
Michael Carlisle, Director of Accounting and Finance
Aneth Williams, Director of Procurement
Ruth Valentin, Recording Secretary/Administrative Coordinator
Teresa Mallary, Protiviti
Jeff Tecau, Protiviti
David Taylor, Protiviti
Chris Porter, Protiviti

A. CALL TO ORDER

The meeting was called to order at approximately 10:01 a.m. by Chairman Megan Zee.

Randy Singh, Orange County Representative was welcomed to the Audit Committee. All others in attendance introduced themselves.

B. PUBLIC COMMENT

There was no public comment.

C. APPROVAL OF MINUTES

A motion was made by Ms. Mullane and seconded by Ms. Dover to approve the January 31, 2019 minutes as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote; one (1) member, Mr. Jecks voting AYE by phone.

D. INTERNAL AUDIT MATTERS

1. Status Update: Fiscal 2019 Internal Audit Plan

   Jeff Tecau of Protiviti presented a status update on the Fiscal Year 2019 Internal Audit Plan.

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

2. Review and Acceptance of Fiscal Year 2019 Internal Audit Reports

   a. Customer Service Center Performance Review

   John Rushing of Protiviti presented the Customer Service Center Performance Review for review and acceptance.

   A motion was made by Ms. Dover and seconded by Ms. Mullane to approve the Customer Service Center Performance Review as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote; one (1) member, Mr. Jecks voting AYE by phone.

   b. Prior Audit Recommendations: Semi-Annual Follow-Up

   Teresa Mallary of Protiviti presented the Prior Audit Recommendations: Semi-Annual Follow-Up for review and acceptance.

   A motion was made by Mr. Battles and seconded by Ms. Dover to approve the Prior Audit Recommendations: Semi-Annual Follow-Up as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote; one (1) member, Mr. Jecks voting AYE by phone.

c. DAVID Data Security Assessment

David Taylor of Protiviti presented the DAVID Data Security Assessment for review and acceptance.

A motion was made by Ms. Mullane and seconded by Ms. Dover to approve the DAVID Data Security Assessment as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote; one (1) member, Mr. Jecks voting AYE by phone.

d. Cyber Security Incident Response Review

Chris Porter of Protiviti presented the Cyber Security Incident Response Review for review and acceptance.

A motion was made by Mr. Battles and seconded by Ms. Mullane to approve the Cyber Security Incident Response Review as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote; one (1) member, Mr. Jecks voting AYE by phone.

3. In-Process Internal Audits

Mr. Tecau informed the committee that the in-process internal audits will be presented at the next scheduled June meeting. The audits are listed below.

a. Toll Revenue Audit
b. Accounting and Finance Controls Review
c. Ransomware Review
d. IT Project Management Review
e. 2020 Internal Audit Plan and Risk Assessment

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

E. **ANNUAL MANAGEMENT REVIEW OF INTERNAL CONTROL MATTERS**

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

Lisa Lumbard, Chief Financial Officer, spoke regarding the effectiveness of internal control.

2. Process for Assessing, Monitoring and Controlling Significant Risks

Ms. Lumbard informed the committee 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 the effectiveness of the system for monitoring compliance with the ethics code.

5. Procedures for "Hotline" Reporting

    Mr. Passiatore explained the hotline procedures to the committee and stated that CFX received one complaint through the hotline this year. The hotline information is posted in all CFX breakrooms.

F. OTHER BUSINESS

The Audit Committee Charter will be revised by Mr. Passiatore and presented to the Chair, Ms. Zee for final review. Upon Ms. Zee's approval the Audit Committee Charter will then be presented to the Board for approval.
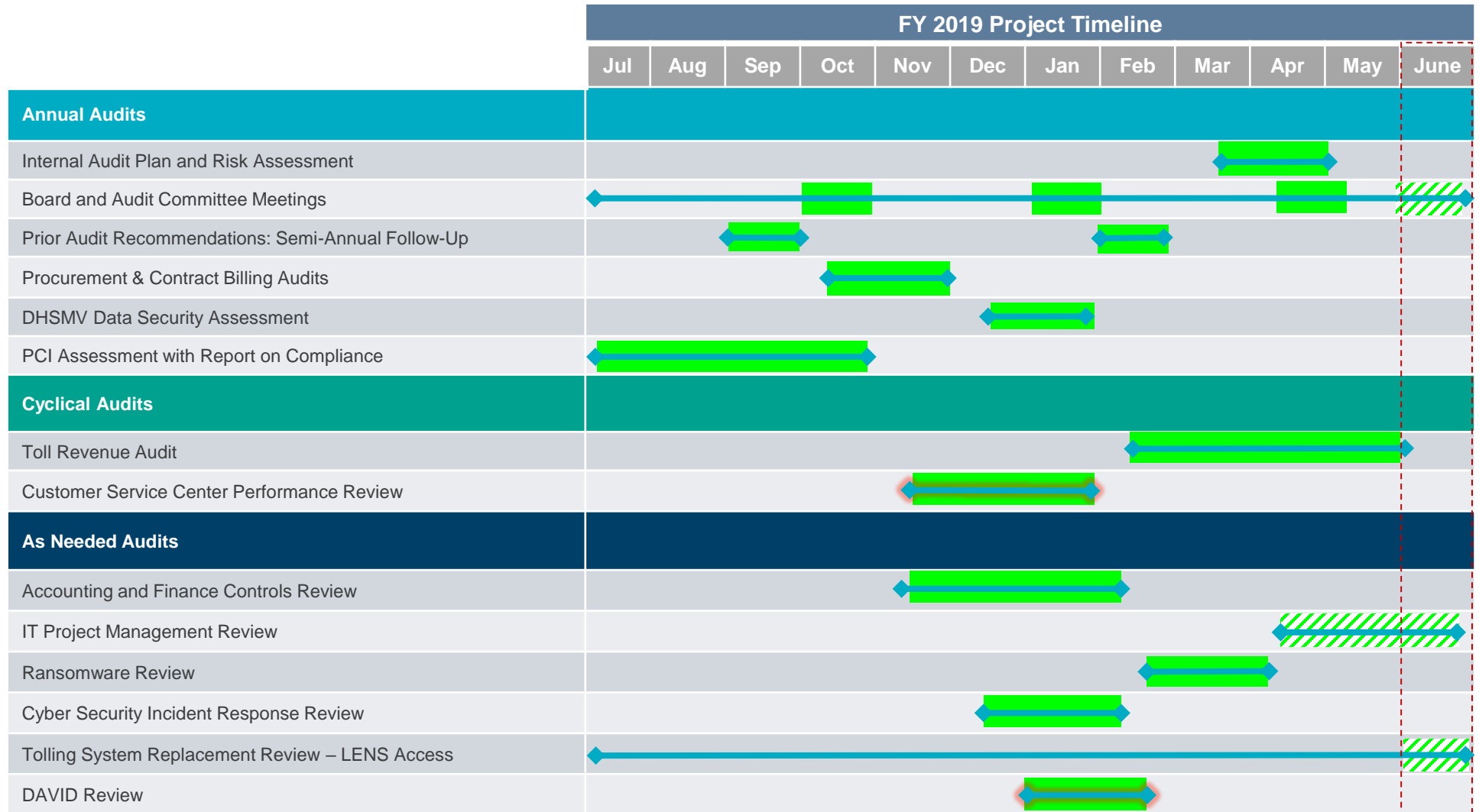
G. ADJOURNMENT

Chairman Zee adjourned the meeting at approximately 11:17 a.m.

Minutes approved on _____, 2019.

Pursuant to the Florida Public Records Law and CFX Records Management Policy, audio tapes of all Board and applicable Committee meetings are maintained and available upon request to the Records Management Liaison Officer at publicrecords@CFXway.com or 4974 ORL Tower Road, Orlando, FL 32807.

FY 2019 Internal Audit Dashboard

As of June 20, 2019

FY 2019 Project Timeline

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June

Annual Audits
- Internal Audit Plan and Risk Assessment
- Board and Audit Committee Meetings
- Prior Audit Recommendations: Semi-Annual Follow-Up
- Procurement & Contract Billing Audits
- DHSMV Data Security Assessment
- PCI Assessment with Report on Compliance

Cyclical Audits
- Toll Revenue Audit
- Customer Service Center Performance Review

As Needed Audits
- Accounting and Finance Controls Review
- IT Project Management Review
- Ransomware Review
- Cyber Security Incident Response Review
- Tolling System Replacement Review – LENS Access
- DAVID Review

Legend: Plan — Revised Plan — Canceled — ● Complete — ▨ In-Process

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

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CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Toll Revenue Audit

May 21, 2019

EXECUTIVE SUMMARY

Overview

The Central Florida Expressway Authority ("CFX") owns and operates 118 miles of roadway in Central Florida. The roadways include State Road (SR) 408 (Spessard L. Holland East-West Expressway), SR 528 (Martin B. Andersen Beachline Expressway), SR 417 (Central Florida GreeneWay), SR 429 (Daniel Webster Western Beltway and Wekiva Parkway), SR 414 (John Land Apopka Expressway), SR 451, SR 453 (Mount Dora Connector), SR 538 (Poinciana Parkway), and SR 551 (Goldenrod Road Extension).

In accordance with the fiscal year 2019 Internal Audit Plan, Internal Audit reviewed and tested key controls of the two primary components of Toll Revenue in CFX's Comprehensive Annual Financial Report: Cash Toll Collections and Electronic Toll Collections. For fiscal year ended June 30, 2018, Cash Toll collections were $51 million (12%) and Electronic Toll collections were $364 million (82%). CFX also collected $27 million (6%) through "post pay" collections, most of which were collected through Pay By Plate invoicing. Collectively, these revenue streams accounted for total tolling revenue of $442 million in fiscal year 2018.

Cash Toll Collections

The CFX system includes 118 centerline miles, 815 lane miles (including ramps), 69 interchanges, 335 bridges and 14 mainline toll plazas. Each main toll plaza offers manned lanes, and most offer Automatic Coin Machines (ACM) lanes. The number of manned lanes and ACM lanes at each plaza vary based on traffic patterns, construction, and other factors influencing plaza operations.

CFX engages a third party contractor to manage day-to-day lane operations and cash toll collections. The contractor is responsible for staffing the toll plazas, including hiring, training, and monitoring employees, all controls around the physical security of cash maintained at the plazas from the point of collection through the time of deposit, monitoring of the electronic tolling system, and the audit procedures to identify variances between tolls collected, expected revenue, and cash deposited.

Electronic Toll Collections

Customers who utilize CFX's roadways have the option of establishing a prepaid E-PASS account and using a transponder. Each time customers use a toll facility where E-PASS is accepted, an antenna at the toll plaza (Automatic Vehicle Identification, or "AVI") reads the transponder and identifies the customer's account. The appropriate toll is then electronically deducted from the prepaid account.

CFX has entered into interoperability agreements with other agencies that allow transponders maintained with SunPass, LeeWay, and E-ZPass, among others to be utilized on CFX's roadways. In addition, CFX has interoperability agreements that allow E-PASS customers to use their transponders to access and pay for parking at the Orlando International Airport.

In October 2018, CFX launched the E-PASS Xtra toll transponder, a toll transponder that works on toll roads and bridges in 18 states from Florida to Maine and west to Illinois. The new E-PASS Xtra transponder is only available through E-PASS, but the transponder is compatible with all toll roads in Florida and everywhere E-PASS and E-ZPass are accepted. Customers are able to manage toll travel with one account for travel in 18 states.

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EXECUTIVE SUMMARY

Overview

Electronic Toll Collections (cont.)

The day-to-day operations associated with E-PASS accounts are outsourced to a third party contractor. The contractor is responsible for providing the personnel necessary to operate the E-PASS Customer Service Centers, including servicing customers and processing account maintenance through walk-in service centers, a call center, mail, email, fax and the E-PASS website. Operations include other back office activities and reconciliation activities.

Pay By Plate Toll Collections

Pay By Plate toll invoicing is an option to "pay as you go" and choose to forgo the benefits of E-PASS toll rates. With Pay By Plate, an image of the vehicle's license plate is captured as the vehicle passes through the toll plaza. The toll rate for that particular plaza plus a processing fee is assessed to the vehicle. A monthly toll invoice is then generated and mailed to the registered owner of the vehicle. The owner can pay the invoice over the phone, online, or through a Touch-n-Buy kiosk powered by Blackstone and located throughout the state in check cashing stores, local groceries and gas stations.

When an account becomes delinquent and meets CFX's established unpaid toll thresholds and conditions, the owner is assessed a citation, which can be paid through the Clerk of Courts or directly to CFX. CFX may also issue a vehicle registration hold If the vehicle owner's account is delinquent.

Tolling Systems

CFX has contracted with a third party contractor to implement a $85 million project to design, install and maintain a new, innovative electronic toll collection system for over 300 toll lanes. The new system, Infinity Digital Lane System, is expected to improve the accuracy, reliability and automation of electronic and Pay By Plate tolling operations. As part of the technology upgrade, the contractor is integrating its advanced vehicle classification and identification systems combined with an image processing system called QFREE, to enhance the system's precision and automation. The contractor also established a Maintenance Monitoring Center (MMC) to track system performance in real time, 24 hours a day, 365 days a year. The contractor will be responsible for the ongoing maintenance of the toll system and will use the MMC to monitor, respond to and prevent equipment issues before they occur.

CFX plans to convert all lanes over to the new Infinity system. As of May 2019, the open road tolling (ORT) lanes at 9 plazas as well as one toll ramp and two coin machine lanes (not in production) have been converted to the new system.

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EXECUTIVE SUMMARY

Overview

The toll revenue process is highly dependent on various electronic systems to capture, process, and report toll revenue. The systems that significantly impact the toll revenue process are as follows:

- **Advanced Revenue Collection System (ARCS)** – The ARCS database stores transactional data generated and transmitted by the respective toll plazas. For this database, Internal Audit tested the effectiveness of controls in place around computer operations (e.g., data backups, job scheduling, and batch processing).

- **Toll Revenue Information Management System (TRIMS)** – TRIMS supports customer service center operations including the maintenance of customer account information and processing of payments. For this system, Internal Audit tested the effectiveness of controls in place around logical security (i.e., access-based controls).

- **EDEN** – EDEN is CFX's general ledger system developed by a third-party vendor, Tyler Technologies, Inc. For this application, Internal Audit tested the effectiveness of controls in place around logical security, computer operations, and change management.

- **Infinity Digital Lane System** – Infinity is the new electronic tolling system currently being implemented across CFX's network of plazas and ramp gantries.

- **QFREE Image Review Software** – QFREE is a component of the newly installed Infinity system, which captures images of vehicles passing through Pay By Plate toll lanes**.**

Beachline Gantry Rebate

In February 2016, CFX removed the SR 528 Airport Toll Plaza. The toll revenue previously collected at this plaza is now collected by Florida's Turnpike Enterprise at the Beachline West Toll Plaza. As such, a portion of the toll revenue collected at this plaza is recorded as CFX revenue. CFX has implemented a rebate program to reimburse eligible customers for the CFX portion of the toll. For a customer paying a combined toll of $2.00, $0.50 represents the Florida's Turnpike's toll revenue and $1.50 represents CFX's toll. With this combined $2.00 toll structure, customers on the following trips are eligible for $1.50 rebate: 1) entering SR 528 westbound at Boggy Creek Road and passing through the Beachline West Plaza, and 2) traveling eastbound on SR 528 passing through the Beachline West Plaza and then exiting at Boggy Creek Road.

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EXECUTIVE SUMMARY

Current Developments

SunPass Toll Backlog

In June 2018, Florida's Turnpike Enterprise's SunPass transitioned to a new tolling system. The transition was planned to occur over a one week window, but due to delays was extended to over three months. The delays created a backlog of SunPass Toll-By-Plate and electronic transponder transactions billings. In September 2018 and January 2019, SunPass retroactively billed the backlog of electronic tolling and Toll-By-Plate transactions, respectively.

Impact of SunPass Toll Backlog to CFX

When SunPass issued the batched transaction billings in September 2018 and January 2019, SunPass customers were charged the full amount of their respective backlogged transactions, causing many SunPass and E-PASS customer accounts to incur a negative balance on their associated transponder accounts. Depending on how long an account held a negative balance and the amount of that negative balance, SunPass deactivated the delinquent customer's transponder. As a result, when these deactivated SunPass customers subsequently incurred charges on CFX roads, the transactions were processed as a Pay By Plate transaction.

Pay By Plate transactions processed by CFX increased from approximately 8,000 per day before the new SunPass toll system implementation to over 14,000 per day in October 2018. As of February 2019, Pay By Plate activity was approximately 11,000 transactions per day. Transponder transactions, including interoperable partner transponder transactions, are collected at a rate of 98%, compared to 62% for Pay By Plate transactions. As a result of the increased Pay By Plate activity, CFX changed the way it is recording revenue. CFX now accrues revenue for Pay By Plate transactions at 62% of the expected revenue value, rather than recording the revenue as it is collected.

Many E-PASS customer prepaid balances could have been exhausted by the backlogged transactions, and some customers experienced instances of duplicate or inaccurate transactions. Because of this, CFX has provided their customers an opportunity to review, accept, or dispute the backlogged SunPass charges.

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EXECUTIVE SUMMARY

Current Developments

In addition to the delay in revenue collection caused by the SunPass system replacement, CFX incurred greater operating costs as a result of increased call center activity from customer inquiries, increased violation enforcement activity, increased Pay By Plate invoice mailings, and special customer relations mailings.

New Tolling System - CFX Image Review

CFX has experienced certain challenges with the implementation of the image review software component of the new tolling system.

- Issue #1: As of the time of audit, images were not flowing in a timely manner from the in-lane QFREE image capture to the image database, creating a backlog for image review. The third party contractor responsible for installing and maintaining the new Infinity system is working to investigate and resolve this issue.
- Issue #2: The new image review software that enables auto match is not performing at the expected, agreed-upon thresh holds, which has caused an abnormally high volume of images to be sent for manual review and has increased workloads to process images. CFX is currently working with their third party contractor to resolve this issue by improving the image capture and system automation capabilities and has temporarily increased the number of contractors performing manual image review to alleviate the backlog.

Objectives

The objectives of the toll revenue audit were to:

1. Evaluate the design and operating effectiveness of existing internal controls to ensure that revenue data captured at the point of origin is completely and accurately recorded to the financial statements;

2. Evaluate the design and operating effectiveness of physical safeguard controls around cash (including the use of security and surveillance, data analytics, monitoring and reporting, and counts/other reconciling activities);

3. Evaluate the design and operating effectiveness of controls in place around processing revenue adjustments to customer accounts;

4. Evaluate the design and operating effectiveness of monitoring controls surrounding the review toll revenue reporting; and

5. Evaluate the design and operating effectiveness of IT general controls (ITGC's) around supporting IT systems and core components of the new Infinity System and QFREE Image Review Software.

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EXECUTIVE SUMMARY

Project Scope and Approach

The scope of work included:

- Documenting current state processes,
- Key control identification and design review,
- Testing of key controls around the two components of toll revenue: cash toll collections and electronic toll collections,
- Evaluating the operating effectiveness of the Beachline Rebate Gantry,
- Evaluating the completeness of tolling transaction data captured by the tolling system,
- Evaluating IT General Controls ("ITGC")

In addition, since CFX was in the process of implementing the new tolling system at the time of audit, specific focus was placed on reviewing the key controls around the new Infinity System and the QFREE Image Review Software. Areas of focus included the following:

- Completeness and accuracy of the transaction data capture and reported
- License plate image capture accuracy
- Revenue reporting reconciliations
- System error notification monitoring

The approach to conduct the audit consisted of the following steps:

- Conducting interviews of CFX management within Accounting and Finance, Operations, Information Technology, and vendors that manage day-to-day plaza operations, cash collections, and E-PASS account management
- Documenting process and system transaction data flowcharts
- Testing cash management controls, cash collections and revenue recognition controls, bank reconciliations, interoperability reconciliations, E-Pass account management and adjustments including the set up of non-revenue accounts, physical security controls, and toll maintenance.
- Performing an ITGC risk mapping exercise to identify toll revenue risks not covered under previously tested ITGCs and performing supplemental audit procedures to close any gaps.
- Substantive procedures to gain comfort over the Infinity to ARCS data transfer.
- Re-calculating the total population and dollar value of all beachline gantry rebates for the period of January 1st, 2019 and February 28th, 2019.

The testing period for the audit was July 1, 2018 to February 28, 2019.

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EXECUTIVE SUMMARY

Summary of Procedures and Results

Internal Audit reviewed and evaluated key internal controls specific to cash toll collections, electronic toll collections, and the supporting IT systems. Overall, the results of this audit confirmed that numerous internal controls are in place and operating effectively and as intended, and CFX is working with its vendor to address the identified issues associated with the tolling system replacement. As a result of this audit, Internal Audit identified four opportunities to further strengthen the overall control environment as summarized below.

Process Owner	Key Areas Reviewed	Total Controls Tested	Number of Observations	Observation Reference	Relative Priority
CFX IT Management	Badge Access	1	1	1	Medium
Customer Service and Account Management Third Party Provider	Revenue Adjustments	6	0		
	Transaction Processing	5	0		
	E-PASS Account Management	2	1	2	Low
Toll Operations Third Party Provider	Transaction Processing	5	1	3	Low
CFX Accounting	Electronic Toll Revenue Recording	4	0		
	Cash/Check Revenue Recording	1	0		
	Pay By Plate Revenue Recording	3	0		
Toll Installation and Maintenance Third Party Provider	Beachline Gantry Rebate	1	0		
	AVI System Maintenance	1	1	4	Low
	Totals:	29	4		

Further details related to the specific procedures performed are provided in Appendix A.

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DETAILED OBSERVATIONS

Observation 1 – Access to E-PASS Mailroom

Relative Priority – Medium

All employees and contractors are issued a unique badge and passcode for accessing the various areas of the CFX Headquarter building. Access to the mailroom, where all checks and cash received from customers through the mail are sorted, is more tightly restricted. Users with access to the mailroom must be active employees or contractors with a valid business reason for requiring access to the mailroom. Upon termination, it is the responsibility of the department manager to collect the employee's badge and notify the IT Help Desk via an online ticket system that the employee's access rights should be terminated immediately.

Of the 20 users selected for testing, Internal Audit identified 16 employees with access to the mailroom who did not have a valid business reason to require constant access. After further evaluation of the mailroom access listing with CFX management, a total of 50 active employees had access, which was deemed inappropriate and subsequently removed.

When access is not removed for a terminated employee or an active employee is given inappropriate access, there is an increased risk of unauthorized acquisition, use, theft or damage to the company's assets.

Recommendation

Internal Audit recommends that CFX implement a quarterly review of employee access to ensure access rights align with the employees job responsibilities.

Management Response

Management concurs.

Management Action Plan

On a quarterly basis, the Manager of E-PASS & Plaza Operations will review the list of users with badge access to the mailroom to ensure all users are appropriate. Access will be terminated for any users whose access is deemed inappropriate.

Action Plan Owner/Due Date

Fred Nieves, Manager of E-PASS & Plaza Operations / June 30, 2019

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DETAILED OBSERVATIONS

Observation 2 – Non-Revenue Account Set-up

Relative Priority – Low

When a new non-revenue account is established, TRIMS is configured with an automated system control which requires a Customer Service Representative (CSR) Supervisor's approval before the account can be activated. For private non-revenue accounts set up for handicapped drivers, the CSR Supervisor's approval is sufficient. For commercial non-revenue accounts, authorization from the Director of Toll Operations must be obtained before the account is set up in TRIMS.

There were only four non-revenue accounts opened during the period of July 1, 2018 to February 28, 2019. Of the four new accounts, one account was inappropriately classified as non-revenue. The CSR incorrectly classified the account as a commercial non-revenue account, the error was not identified by the CSR Supervisor, and the account was subsequently set up as a non-revenue account in TRIMS without Director of Toll Operations approval.

The account was opened on October 22, 2018 and as of the date of the audit the customer had 72 transactions totaling $74 for which no revenue was collected. Failure to correctly set up non-revenue accounts results in revenue leakage.

Recommendation

Internal Audit recommends that CFX implement a quarterly review of new commercial and private non-revenue accounts to ensure that all non-revenue accounts opened during the quarter were appropriate and properly approved.

Management Response

Management concurs.

Management Action Plan

A CFX Quality Specialist currently performs a weekly audit of all new private non-revenue accounts for appropriateness and proper approval. This audit will be changed to monthly and will be expanded to also include new commercial non-revenue accounts.

Action Plan Owner/Due Date

Dave Wynne, Director of Toll Operations / July 15, 2019

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DETAILED OBSERVATIONS

Observation 3 – Coin Vault Weighing and Deposit

Relative Priority – Low

Everyday, at each plaza, an armored car service picks up the daily deposit, including the Automatic Coin Machines (ACM) vaults. A Toll Service Supervisor (TSS) must be present and witnesses as the armored car service personnel weighs and records each coin vault before removing the coin vaults from the plaza. Once the weights are confirmed, both the TSS or Attending Toll Supervisor (ATS) and the armored car service personnel must sign the Vault Weighing Log asserting that the coin vault weights recorded are accurate. The armored car service provides a copy of the Vault Weighing Log to the bank upon deposit. The bank then re-weighs each coin vault, records the weights, and provides the final sign-off on the Vault Weighing Log.

For three of the 25 Vault Weighing Logs tested, the armored car service personnel did not record the vault weights. However, both the Toll Service Supervisor and armored car service personnel signed the log. Because the weights of the vaults were not recorded before the vaults were removed from the plaza, it is not possible to confirm whether or not the vaults were tampered with, or quantify the impact, if any, of possible fraudulent activity.

In addition, one Vault Weighing Log showed the armored car service personnel recorded the weights of two vaults as 99.99 pounds, while the bank recorded them as 30.6 and 19.3, respectively. Failure to accurately weigh and record coin vault weights increases the risk that the armored car service or receiving bank could tamper with vault or remove funds before the vault is weighed at the bank.

Recommendation

The third party contractor should develop a process for tracking repeat occurrences of instances when cash handling procedures are not executed properly. The third party contractor should also reinforce the importance of the vault weighing process with Toll Service Supervisors.

Management Response
Management concurs.

Management Action Plan
CFX will communicate Internal Audit's recommendation to the third party contractor and follow up to obtain their action plan for preventing further deviations from the standard cash handling procedures.

Action Plan Owner/Due Date
Dave Wynne, Director of Toll Operations / September 1, 2019

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DETAILED OBSERVATIONS

Observation 4 – System Support and Maintenance

Relative Priority – Low

The Infinity toll collection system is continuously monitored for system errors and outages by lane operators (AECOM), a third party provider (TransCore), and other system users. As errors and outages occur, tickets are submitted for resolution to the Maintenance Monitoring Center (MMC) operated by TransCore. Service level agreements have been established with third party providers to ensure that toll collection systems receive appropriate support and maintenance to meet the needs of the business. Service level agreements includes metrics for error acknowledgement, on-site response time, and issue resolution.

For six of the 28 system errors tested, at least one of the metrics exceeded the threshold of four hours to solution as defined within maintenance and support service level agreements. Additionally, one instance was identified where no support ticket had been created for an observed issue. However, the vendor is evaluated on a monthly average of acknowledgement, response, and repair times. Due to the nature of how support tickets are tracked, IA was unable to confirm whether or not the system maintenance and support violates contractually defined service level agreements.

Recommendation
Upon system acceptance and implementation of vendor performance penalties, CFX should continue to work with TransCore to maintain the established performance monitoring processes and ensure agreed upon performance requirements are being met. If agreed upon performance metrics are not being met, CFX should assess penalties in accordance with contractual agreements.

Management Response
Management concurs.

Management Action Plan
CFX will continue to monitor vendor performance and benchmark according to defined service level agreements.

Action Plan Owner/Due Date
Joann Chizlett, Director of Special Projects / December 31, 2020 (contingent upon acceptance of Infinity system)

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APPENDIX

Toll Revenue Risk Index

RISKS IDENTIFIED AND ADDRESSED THROUGH AUDIT PROCEDURES

E-PASS and Accounting

- Unauthorized account adjustments/credits are made to E-PASS accounts resulting in potential lost revenue.
- E-PASS employees modify and make adjustments to their personal E-PASS accounts resulting in unauthorized adjustments and potential lost revenue.
- Manual image review transactions are reviewed inaccurately, resulting in lost revenue.
- Non-revenue transponders are provided to customers without proper approval resulting in potential lost revenue.
- E-PASS personnel misappropriate E-PASS funds received in the mailroom or at the EPSC resulting in potential lost revenue.
- Toll Revenue transactions are not accurate or recorded in the proper period.
- Revenue from interoperability agreements are not properly recorded resulting in loss of revenue.
- E-PASS transaction is cross read by the Automatic Vehicle Identification (AVI) reader in another lane.
- License plate images transmitted by the System Controller to the system are not converted properly and cannot be used resulting in lost revenue.
- Pay By Plate customers are not invoiced, resulting in a loss of revenue.

Toll Plaza

- Loop and/or treadle sensors malfunction and vehicle axle counts are inaccurate resulting in lost revenue.
- Toll Service Attendants (TSA) and/or Toll Service Supervisors (TSS) misappropriate toll collections resulting in lost revenue.
- Toll collections for a plaza are suspended without proper authorization or justification. (i.e., customers pass through the plaza without paying, however special events mode was not authorized).
- Physical access to plaza counting room and safe room are not restricted resulting in lost revenue.
- Automatic Vehicle Identification (AVI), Manual Lane Terminal (MLT), Automatic Coin Machine (ACM), cameras, treadle and loop sensors malfunction resulting in lost revenue.
- Insufficient toll is collected for multi-axle vehicles passing through the staffed lane resulting in lost revenue.
- Transaction and financial data is lost due to equipment problems or damage resulting in misstated revenue.
- Toll collections are misappropriated (or miscalculated) by the third party service provider and/or CFX Accounting does not properly reconcile negative discrepancies resulting in lost revenue.
- Cash is not collected in timely manner, resulting in delayed recognition of revenue.

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ACCOUNTING AND FINANCIAL CONTROLS REVIEW

May 14, 2019

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Overview

In accordance with the fiscal year 2019 Internal Audit Plan, Internal Audit conducted a review of the Central Florida Expressway Authority's current state of accounting processes and related design and effectiveness of internal controls within the accounting function.

The Institute of Internal Auditors defines internal controls as "any action taken by management, the board, and other parties to manage risk and increase the likelihood that established objectives and goals will be achieved. Management plans, organizes, and directs the performance of sufficient actions to provide reasonable assurance that objectives and goals will be achieved."

Effective internal controls within the accounting and finance function are important to help safeguard assets, ensure financial statement reliability, promote operational efficiency by improving the accuracy and timeliness of financial reporting, and encourage compliance with management's directives.

Internal controls within an accounting function are typically comprised of control activities such as authorization, documentation, reconciliation, security and the separation of duties. Controls are often broadly divided into preventative and detective activities. Preventive controls are designed to prevent errors, inaccuracy or fraud before it occurs. Detective controls are intended to uncover the existence of errors, inaccuracies or fraud that has already occurred. This audit was designed to cover all of the above.

Objectives

The objectives of this audit were to evaluate the design and operating effectiveness of key accounting and financial reporting controls, including those designed to detect or prevent fraud, and also to compare CFX's accounting and financial reporting controls to those typically found in a mature, well-controlled finance and accounting function.

Project Scope and Approach

This audit was performed using a four-phased approach as outlined below:

Phase I – Interviews with Key Personnel

To identify primary risks and controls within the Accounting and Finance Department, Internal Audit conducted interviews with key personnel, focusing on the following 10 functional areas of accounting and reporting:

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EXECUTIVE SUMMARY

Overview / Objectives / Scope and Approach

Project Scope and Approach

Phase I – Interviews with Key Personnel

1. **General Ledger and Month-End Close** – Journal entry recording, account reconciliation preparation and review, fluctuation analysis, and accounting segregation of duties (SOD).
2. **Financial Reporting** – Financial statement preparation and review and access to the financial reporting system and shared drive.
3. **Revenue and Accounts Receivable** – Revenue reporting and monitoring and accounts receivable (collections, aging and valuation).
4. **Accounts Payable** – Vendor set-up, vendor management, invoice and payment processing, and segregation of duties.
5. **Budgeting and Forecasting** – Creating and modifying budgets and forecasts and budget to actuals variance analysis.
6. **Cash Management** – Bank account access management, payment authorization, bank reconciliations, and banking security.
7. **Investments** – Investment purchases, fair value accounting, performance reporting, and investment management.
8. **Fixed Assets** – Capital asset additions, Construction in Progress (CIP) transfers, disposals, inventory, and activity recording.
9. **Debt** – Debt issuance, swap transactions, covenant compliance, payments on existing debt, and performance reporting.
10. **Payroll and Benefits** – Payroll and benefit management, payroll system access, and segregation of duties.

Phase II – Evaluation of Design Effectiveness
Internal Audit reviewed procedural manuals related to primary accounting and finance functions detailed in Phase I to identify key internal controls, documented narratives with related risks and controls in Risk and Control Matrices (RCMs), and evaluated the design effectiveness of the controls in place.

Phase III – Testing of Operating Effectiveness
Internal Audit tested a total of 86 controls for operating effectiveness using a judgmental sampling approach. As part of this testing, Internal Audit evaluated segregation of duties over accounting and finance activities and mitigating controls for any identified conflicts that arose. Additional details on the procedures performed are included in Appendix A.

Phase IV – Analysis of Results
Internal Audit reviewed results against those controls typically found in a mature, well-controlled finance and accounting function to identify opportunities for improvement as highlighted on the following pages.

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SUMMARY OF RESULTS

Process Areas / Controls Tested

As a result of the procedures performed as part of this audit, six opportunities were identified that, if implemented, should strengthen CFX's overall accounting and financial reporting internal control environment. A summary of the areas reviewed and the opportunities identified is below.

Function	Functional Areas Reviewed	Total Controls Tested	Total Observations Noted
General Ledger and Month-End Close	Journal entry recording, account reconciliation preparation and review, fluctuation analysis, and accounting SOD	10	0
Financial Reporting	Financial statement preparation and review and access to the financial reporting system and shared drive.	9	3
Revenue and Accounts Receivable	Revenue reporting and monitoring and accounts receivable (collections, aging, and valuation)	8	1
Accounts Payable	Vendor set-up, vendor management, invoice and payment processing, and SOD	11	1
Budgeting and Forecasting	Creating and modifying budgets and forecasts and budget to actuals variance analysis	3	0
Cash Management	Bank account access management, payment authorization, bank reconciliations, and banking security	12	1
Investments	Investment purchases, fair value accounting, performance reporting, and investment management	16	0
Fixed Assets	Capital asset additions, Construction in Progress (CIP) transfers, disposals, inventory, and activity recording	6	0
Debt	Debt issuance, swap transactions, covenant compliance, payments on existing debt, and performance reporting	8	0
Payroll and Benefits	Payroll and benefit management, payroll system access, and SOD.	3	0
Total		**86**	**6**

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DETAILED OBSERVATIONS

Observation 1 – Vendor Master File Management

Relative Priority
Medium
General Ledger / Month-End Close
Accounts Payable
Cash Management
Financial Reporting
Revenue / Accounts Receivable
Debt

Observation

To create a new vendor or modify vendor information in the EDEN financial reporting system, the requesting party must submit a new/modify vendor request form to the Contract Compliance Analyst with the appropriate support documentation, W-9, and check request along with applicable management approvals.

Proper segregation of duties exists between the employees requesting vendor additions and changes and the Contract Compliance Analyst that enters the vendor into EDEN. However, there is no secondary review of vendor additions or modifications by the Contract Compliance Analyst once the vendor is added to EDEN.

Lack of a secondary review of modifications to the vendor master file increases the risk of vendors being entered incorrectly or fraudulently.

Recommendation

As a leading practice, Management should implement a periodic review of vendor master file updates by a member of the Accounting or Procurement departments to ensure accuracy and completeness of vendor entries.

Management Response

Management concurs.

Management Action Plan

CFX will implement a review of new vendors into the Accounting Clerk's review of invoices to ensure the vendor was entered completely and accurately. CFX will further implement a review of vendor changes into the CFO's monthly review procedures.

Action Plan Owner / Due Date

Lisa Lumbard, CFO / 8/31/2019

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DETAILED OBSERVATIONS

Observation 2 – Year-End Accounting Checklist

Relative Priority

Medium

GL / Month-End Close

Accounts Payable

Cash Management

Financial Reporting

Revenue / Accounts Receivable

Debt

Observation

A year-end accounting checklist is maintained electronically to track the performance of all tasks essential to the compilation of the financial statements. However, there is no evidence of a final review of the checklist by management to ensure the completion of all tasks included on the checklist.

Internal Audit identified one instance where there was no evidence of the completion of one task included on the year-end checklist. Without a final review of the checklist there is a risk that essential tasks that have an impact on the completeness and accuracy of the financial statements are not completed.

Recommendation

Management should implement and document a formal review of the year-end accounting checklist to ensure all tasks are completed.

Management Response

Management concurs.

Management Action Plan

CFX will implement a review of the year-end accounting checklist by the Director of Accounting and Finance prior to publishing the CAFR to ensure that all procedures have been completed. The review will be evidenced through electronic sign-off on the year-end annual checklist.

Action Plan Owner / Due Date

Mike Carlisle, Director of Accounting / 12/31/2019

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DETAILED OBSERVATIONS

Observation 3 – Banking Access Guidelines

Relative Priority
Medium
GL / Month-End Close
Accounts Payable
Cash Management
Financial Reporting
Revenue / Accounts Receivable
Debt

Observation

Procedures or guidelines do not exist to prohibit the use of non-highly secured devices, such as personal phones or connection to public Wi-fi, for online banking activities. This leaves the CFX vulnerable to theft of information and cybercrimes.

Recommendation

CFX should consider enhancing banking cybersecurity by creating procedures and guidelines that prohibit the use of non-secured devices for cash management activities.

Management Response

Management concurs.

Management Action Plan

CFX will enhance existing cybersecurity procedures by creating guidelines that prohibit the use of non-secured devices for cash management activities. CFX will also ensure employees with cash management responsibilities have the secured devices necessary to execute cash management activities.

Action Plan Owner / Due Date

Lisa Lumbard, CFO / 9/30/2019

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DETAILED OBSERVATIONS

Observation 4 – Daily Deposits

Relative Priority
Low
GL / Month-End Close
Accounts Payable
Cash Management
Financial Reporting
Revenue / Accounts Receivable
Debt

Observation

Checks and cash received at the front desk of the CFX corporate office are delivered to the Accounting and Finance department prior to the close of each day. Current procedure dictates that the bank deposit is to be prepared by the Accounting Clerk and a copy is forwarded to the Accounting Specialist on a daily basis. Most deposits are deposited electronically. If electronic deposit is unavailable, the deposit is sent to the bank.

Of the 10 deposits tested, five deposits averaging $300K per deposit were not performed daily in accordance with procedure. The lead time prior to deposit ranged from two to five business days. Failure to deposit receipts in a timely manner increases the risk of theft or misplacement of cash.

Recommendation

Management should consider incorporating a review of the check deposit date against the date received to the Accounting Supervisor's monthly review of the check log, so delays in check deposits can be identified and appropriate follow-up action can be taken.

Management Response

Management concurs.

Management Action Plan

CFX will implement a procedure to deposit all checks that have been confirmed within 24 hours and document the reason for any check that is not deposited within the bank deposit supporting files.

Action Plan Owner / Due Date

Mike Carlisle, Director of Accounting / 6/30/2019

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DETAILED OBSERVATIONS

Observation 5 – Finalized Financial Statement Review

Relative Priority

Low

GL / Month-End Close

Accounts Payable

Cash Management

Financial Reporting

Revenue / Accounts Receivable

Debt

Observation

At the close of the external audit, the draft CAFR is reviewed by the Accounting Supervisor, Manager of Accounting and Finance, the Director of Accounting and Finance, the CFO, and the Chief of Staff for reasonableness, completeness, and accuracy of the CAFR, including agreeing financial information in the CAFR to the EDEN trial balance. However, evidence of each party's final review, including resolution of any questions or discrepancies, is not documented with the exception of the CFO's sign-off on the final CAFR. Documentation of review procedures ensures that all required tasks are completed and provides evidence that any discrepancies between CFX records and the finalized CAFR are investigated and resolved.

Recommendation

Management should consider implementing a sign off requirement for all parties responsible for reviewing the final CAFR. Recommended review procedures may include review of the financial statements against prior years for reasonableness, a tie out of the CAFR and audited financial statements, and a review of disclosures for completeness and accuracy.

Management Response

Management concurs.

Management Action Plan

CFX will enhance the year-end accounting checklist to include sign-off procedures for the review of the financial data within the final CAFR.

Action Plan Owner / Due Date

Mike Carlisle, Director of Accounting / 12/31/2019

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DETAILED OBSERVATIONS

Observation 6 – Accounting and Disclosure Requirements Review

Relative Priority

Low

GL / Month-End Close

Accounts Payable

Cash Management

Financial Reporting

Revenue / Accounts Receivable

Debt

Observation

CFX becomes aware of new or updated accounting and disclosure requirements through Governmental Accounting, Auditing, and Financial Reporting (GAAFR) updates provided to the CFO by the Government Finance Officers' Association (GFOA) and disbursed to the Accounting staff. The Accounting Supervisor, Manager of Accounting and Finance, and Director of Accounting and Finance are also members of the Florida Government Finance Officers' Association (FGFOA) and attend an annual conference and various webinars to stay informed of new or updated standards. CFX Accounting also meets with the external auditor to discuss new or upcoming requirements and receives comments from the GFOA on upcoming accounting pronouncements with implementation due dates. However, for changes that need to occur, there is currently no defined process, such as a checklist, to track new accounting pronouncements or required disclosures and the corresponding implementation dates. Leading practice recommends the use of an accounting and disclosure checklist to streamline financial statement preparation, track upcoming changes or additions to requirements, and ensure completeness of required disclosures.

Recommendation

Management should consider developing a checklist to help manage accounting and disclosure requirements and corresponding implementation dates for changes.   In addition, a leading practice is to implement an annual control to review the CAFR against the checklist for accuracy of accounting pronouncements and completeness of disclosures. Evidence of review should be documented.

Management Response

Management concurs.

Management Action Plan

CFX will implement a formalized review of the GFOA comments from the prior year's CAFR to ensure accounting and disclosure requirements are appropriately reflected in the current year CAFR. The review will be evidenced by initial on the GFOA comments by the Director of Accounting and Finance.

Action Plan Owner / Due Date

Mike Carlisle, Director of Accounting / 12/31/2019

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Ransomware Review

Central Florida Expressway Authority

April 2019

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I.   Executive Summary

Background

During the period between February 8th and March 11th, 2019, Internal Audit ("IA") performed a Ransomware Review for Central Florida Expressway Authority ("CFX"). The review focused on controls present in the CFX environment that would mitigate the risk associated with a ransomware attack.

Overview

This report represents the results of the Ransomware Review conducted by IA for CFX. IA reviewed the existing policies, procedures, and technologies surrounding controls implemented to help prevent, detect, and recover from a ransomware attack within the environment.

As a result of this review, IA identified five (5) observations (including three (3) High and two (2) Moderate rated observations) and one (1) improvement opportunity. The observations describe gaps with both process and technology related controls. Specifically:

- Outdated software

- Inappropriate user access

- Lack of multifactor authentication

- Misconfigurations surrounding backup reporting

- Backup jobs inappropriately

- Improvement opportunities surrounding Office 365

II.   Scope and Approach

Scope

The scope of this project was the policies, procedures, and technologies surrounding controls implemented to prepare, detect, prevent, and recover from a ransomware attack within the CFX environment.

Approach

IA's approach to performing the Ransomware Review included:

- Gaining an understanding of the approach and steps documented within the CFX Incident Response Plan to respond to ransomware attacks.

- Evaluating current technologies deployed to the CFX environment and their ability to prevent, detect, and contain a ransomware attack.
    - These technologies included:
        - Anti-Virus ("AV") / Advanced Threat Protection / Endpoint Detection and Response / Web Proxy solutions
        - IDS and IPS systems
        - Network Segmentation / Access Control mechanisms
    - Specific testing activities surrounding these technologies included:
        - Reviewing firewall and IPS configurations to identify behavior-based rules are in place to protect network devices.
        - Identifying ruleset configurations within the web proxy to monitor traffic and only permit authorized file sharing services for approved users.
        - Observing the AV management console utilized to monitoring agents on end-user workstations and servers to ensure identified threats are resolved and all agents are enabled and updated.
        - Reviewing the file integrity monitoring configurations for server and end-user workstations to monitor and alert upon unauthorized changes to critical system files that may indicate a compromise.

- Identifying channels by which ransomware could be delivered to CFX and discuss the above technologies ability to prevent, detect, and contain a ransomware attack for each channel with CFX personnel.
    - These channels included:
        - Email systems

- Network devices
- USB ports
- File Sharing Services
  - Specific testing activities surrounding these technologies included
    - Performing a walkthrough of configurations within Office 365 and identified filters in place to block emails based on geographical source, attachment file type, and known malicious domains.
    - Reviewing group policies configurations to disable USB ports on end-user workstations for users without a valid business purpose.
- Evaluating CFX's ability to correlate events such as data modification, configuration changes, and access changes related to ransomware attacks.
- Reviewing third party threat intelligence sources utilized to identify indicators of compromise related to emerging variants of ransomware.
- Reviewing CFX's process for performing backups and restorations of critical data and applications around the following areas:
  - Corruption testing
  - Secure storage
  - Logging and monitoring
- Reviewing previous incidents within the CFX environment involving malicious code or ransomware events.

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Fiscal 2020 Internal Audit Plan

For the Fiscal Year Ending June 30, 2020

YOUR INTERNAL AUDIT TEAM

CFX Audit Committee

CFX Office of the General Counsel

Phil Fretwell	**Jeff Tecau**	**David Taylor**
Quality Assurance	Internal Audit	IT Audit
Managing Director	Managing Director	Managing Director

	Teresa Mallary	**Chris Porter**
	Internal Audit	IT Audit
	Associate Director	Associate Director

Emily Picard
Internal Audit
Senior Manager

Other Internal Audit Manager, Seniors, and Consultants
Level and experience will be matched to project need

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BACKGROUND

An annual risk assessment is a critical element of a high-quality Internal Audit department's responsibility and provides the opportunity to be "front and center" with senior leadership as a strategic partner in the review and management of key business risks. The objective of the fiscal 2020 risk assessment is to identify and prioritize key areas of risk within CFX to consider in designing the fiscal 2020 Internal Audit plan. The approach to conduct the fiscal 2020 risk assessment and develop the fiscal 2020 Internal Audit plan is depicted below.

	Identify Key Areas of Risk to be Assessed	• Confirm and update prior year risk areas based upon review of prior year work papers, audit results, and discussions with staff • Determine preliminary risk ratings based upon prior year results
	Assess & Prioritize Areas of Risk	• Conduct interviews with management, the Board, and the Audit Committee Chair to confirm and validate the current enterprise risk model and gain additional insight around risk trending, key changes in the organization, and key initiatives • Aggregate and compile resulting information • Provide a graphical representation of enterprise risks on a risk heat map to prioritize residual areas of risk
	Select Focus Areas	• Evaluate the prioritized enterprise risks and management commentary to determine Internal Audit focus areas for fiscal year 2020 • Develop and define a preliminary listing of proposed Internal Audit projects to address the areas of focus
	Develop & Approve Audit Plan	• Establish high-level scoping statements and levels of effort for proposed projects • Finalize budget allotments and propose projects for Audit Committee approval • Finalize proposed timing for selected projects • Finalize Internal Audit plan and obtain Audit Committee approval

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INTERVIEW LIST

The following 24 individuals were interviewed to gather information to develop the fiscal year 2020 Internal Audit plan:

Name	Title	Name	Title
Jay Madara	Board Chairman	**Joe Berenis**	Chief of Infrastructure
Commissioner Brenda Carey	Board Vice Chairman	**Lisa Lumbard**	Chief Financial Officer
Mayor Buddy Dyer	Board Treasurer	**Michelle Maikisch**	Chief of Staff and Public Affairs Officer
Mayor Jerry Demings	Board Member	**Joe Passiatore**	General Counsel
Commissioner Leslie Campione	Board Member	**Carrie Baker**	Contract Compliance Analyst
Commissioner Fred Hawkins, Jr.	Board Member	**Joann Chizlett**	Director of Special Projects
Andria Herr	Board Member	**David Wynne**	Director of Toll Operations
S. Michael Scheeringa	Board Member	**Glenn Pressimone**	Director of Engineering
Commissioner Curt Smith	Board Member	**Jim Greer**	Director of IT
Commissioner Betsy VanderLey	Board Member	**Michael Carlisle**	Director of Accounting and Finance
Megan Zee	Audit Committee Chairman	**Aneth Williams**	Director of Procurement
Laura Kelley	Executive Director	**Donald Budnovich**	Director of Maintenance

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FY 2020 INTERNAL AUDIT COVERAGE

Strategic & Governance	Budget Allocation	Frequency
• Fiscal 2019 Internal Audit Plan and Risk Assessment	$25,000	Annual
• Prior Audit Recommendations: Semi-Annual Follow-up	$14,000	Annual
• COSO ERM Governance Review	$40,000	5 Year Cycle
• Public Records and Information Management Review	$40,000	3 Year Cycle
Financial		
• Procurement & Contract Billing Audits	$45,000	Annual
Operations & IT		
• DHSMV Data Security Assessment	$25,000	Annual
• DAVID Data Security Assessment	$20,000	Annual
• PCI Assessment with Report on Compliance	$85,000	Annual
• P-Card and Gas Card Audit	$20,000	5 Year Cycle
• Retail Transponder Sales and Visitor Toll Pass Review	$25,000	As Needed
• Marketing and Social Media Audit	$35,000	As Needed
• Secure Code Review	$40,000	As Needed
• RPA and Automation Review	$30,000	As Needed
• NIST Cybersecurity Framework Review	$45,000	As Needed
• Lane Scheduling and Customer Service Review	$30,000	As Needed
Other		
• Board and Audit Committee Meetings	$15,000	Annual
• Contingency for Special Projects	$30,000	Annual
Total Internal Audit Budget	**$564,000**	

Pie chart: 8%, 22%, 8%, 62%

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THREE YEAR INTERNAL AUDIT PLAN

Description	Frequency	Date Last Performed	Audit Plan Year		
			2020	2021	2022
Annual Internal Audits					
Internal Audit Plan and Risk Assessment	Annual	2019	X	X	X
Board and Audit Committee Meetings	Annual	2019	X	X	X
Prior Year Recommendations: Semi-Annual Follow-up	Annual	2019	X	X	X
Procurement & Contract Billing Audits	Annual	2019	X	X	X
DHSMV Data Security Assessment	Annual	2019	X	X	X
DAVID Data Security Assessment	Annual	2019	X	X	X
PCI Assessment with Report on Compliance	Annual	2019	X	X	X
Contingency for Special Projects	Annual	N/A	X	X	X
Cyclical Audits					
COSO ERM Governance Review	5 Year Cycle	2015	X		
Public Records and Information Management Review	3 Year Cycle	2017	X		
P-Card and Gas Card Audit	5 Year Cycle	N/A	X		
Customer Service Center Performance Assessment	2 Year Cycle	2019		X	
Ethics Policy Compliance Audit	3 Year Cycle	2018		X	
IT General Controls Review	3 Year Cycle	2018		X	
Information Security Risk Assessment	3 Year Cycle	2018		X	
Bond Financing Review	5 Year Cycle	2016		X	
Right of Way Audit	5 Year Cycle	2016		X	
Toll Revenue Audit	3 Year Cycle	2019			X
Business Continuity Management Review	5 Year Cycle	2017			X
Purchasing Spend Data Audit	5 Year Cycle	2017			X
Accounting System Access and SOD Review	5 Year Cycle	2017			X
Human Resources Process Review	5 Year Cycle	2017			X
Safety and Maintenance Policy and Procedures Compliance Audit	5 Year Cycle	2018			
Toll Violations and Toll-by-Plate Audit	5 Year Cycle	2018			
As Needed Audits					
Retail Transponder Sales and Visitor Toll Pass Review	As Needed	N/A	X		
Marketing and Social Media Audit	As Needed	N/A	X		
Secure Code Review	As Needed	N/A	X		
RPA and Automation Review	As Needed	N/A	X		
NIST Cybersecurity Framework Review	As Needed	N/A	X		
Lane Scheduling and Customer Service Review	As Needed	N/A	X		
Sensitive Data Review	As Needed	2014			
ITS Security Review	As Needed	2015			
Accounting and Financial Controls Review	As Needed	2019			
IT Project Management Review	As Needed	2019			
Ransomware Review	As Needed	2019			
Cyber Security Incident Response Review	As Needed	2019			
Cloud Security Review	As Needed	N/A			

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INTERNAL AUDIT TIMELINE

	FY 2020 Estimated Project Timeline											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Annual Audits												
Internal Audit Plan and Risk Assessment									●——	——●		
Board and Audit Committee Meetings	●———————————————————————————————————————●											
Prior Audit Recommendations: Semi-Annual Follow-Up		●—●					●—●					
Procurement & Contract Billing Audits				●—●								
DHSMV Data Security Assessment				●—●								
DAVID Data Security Assessment					●—●							
PCI Assessment with Report on Compliance		●——●										
Cyclical Audits												
COSO ERM Governance Review							●——●					
Public Records and Information Management Review									●———●			
P-Card and Gas Card Audit				●——●								
As Needed Audits												
Retail Transponder Sales and Visitor Toll Pass Review										●—●		
Marketing and Social Media Audit						●—●						
Secure Code Review		●—●										
RPA and Automation Review											●—●	
NIST Cybersecurity Framework Review							●—●					
Lane Scheduling and Customer Service Review						●—●						

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FY 2020 INTERNAL AUDIT PROJECT DESCRIPTIONS

#	Project	Project Description	Risks	Estimated Cost
1	**Internal Audit Plan and Risk Assessment**	We will conduct a risk assessment to highlight the Expressway Authority's current year risk profile, to identify risk trends, and to form the foundation for the fiscal year 2020 Internal Audit Plan. In addition, we will conduct the annual review of the completeness of the fraud risk universe and annual refresh of the fraud risk assessment. The information and findings will be utilized to develop the 2020 Internal Audit plan, with a focus on addressing opportunities identified during the risk assessment process.	Strategic Planning Fraud Governance	$25,000
2	**Board and Audit Committee Meetings**	Protiviti will attend Board meetings and prepare for and present at all Audit Committee meetings during fiscal year 2020. This includes document preparation time and preparation time with management and the Audit Committee in advance of meetings.	Governance	$15,000
3	**Prior Audit Recommendations: Semi-Annual Follow-up**	This work will focus on semi-annual follow-up on the status of all OPEN action plans from prior year audits. In addition, internal audit will consider re-auditing closed recommendations for selected areas from prior year audits as requested by management or the Audit Committee.	Governance	$14,000
4	**Procurement & Contract Billing Audits**	This audit will encompass a selection of 2 or 3 engineering, construction, maintenance, operations, or legal contracts, with the objective of verifying internal controls are in place to ensure work performed for CFX has been billed in accordance with contractual terms and conditions. The work will include reviewing procurement, reviewing contract SLA's, testing pricing and hours worked for accuracy and validity, testing invoice approvals, testing vendor compliance with other contractual obligations, and using data analytics to identify high risk vendors and/or change orders.	Contract Management Contract Performance Reporting Cost Containment Procurement and Vendor Selection	$45,000
5	**DHSMV Data Security Assessment**	The objective of this assessment is to review internal controls for gaps in design related to the requirements set forth in the DHSMV Drivers License or Motor Vehicle Record Data Exchange Memorandum of Understanding (MOU), Section V – Safeguarding Information.	Cyber / Data Security	$25,000
6	**DAVID Data Security Assessment**	The objective of this assessment is to review internal controls for gaps in design related to the requirements set forth in the DHSMV Driver and Vehicle Information Database ("DAVID") Data Exchange Memorandum of Understanding (MOU), Section V – Safeguarding Information	Cyber / Data Security	$20,000

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FY 2020 INTERNAL AUDIT PROJECT DESCRIPTIONS

#	Project	Project Description	Risks	Estimated Cost
7	PCI Assessment with Report on Compliance	This project will be to fully test CFX's compliance with the PCI Data Security Standard, (PCI-DSS) version 3.2 and issue a Report on Compliance (ROC). The testing will cover all twelve sections of the PCI-DSS.	Cyber / Data Security	$85,000
8	COSO ERM Governance Review	This audit will involve an evaluation of the Expressway Authority's governance procedures and internal controls leveraging the COSO ERM and COSO 2013 internal control frameworks as leading practice guidelines.	Governance Ethical Compliance	$40,000
9	Public Records and Information Management Review	This review will focus on CFX's records and information management processes and the four cornerstones of a sustainable information governance program: 1. Compliance with internal policies and legal and regulatory requirements 2. Operational efficiencies to minimize disruptions to business operations and improve ways to create, use and dispose of data 3. Cost savings from practical solutions that reduce storage and retrieval costs, as well as requirements for responding to investigations, litigation or regulatory requests 4. Defensible processes in routine business operations that allow organizations to demonstrate reasonable and good faith efforts when challenged Data retention surrounding electronic communications via email, mobile, and voice mail will also be reviewed to identify technology needed to assist with capturing and retaining data from such communication.	Records Management	$40,000
10	P-Card and Gas Card Audit	The objective of the project will be to review P-card and Gas procurement expenditures to verify purchases are adequately supported and are for valid business purposes.	Cost Containment Fraud	$20,000

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FY 2020 INTERNAL AUDIT PROJECT DESCRIPTIONS

#	Project	Project Description	Risks	Estimated Cost
11	**Retail Transponder Sales and Visitor Toll Pass Review**	Given new marketing initiatives, increases in new EPASS accounts, and additional channels for signing up new customers, the project will entail a review of the processes in place to market transponder sales, a review of the channels used to convert new accounts, and how CFX manages physical inventory and sales of transponders through the different channels (consignment versus purchase and sale).	Cost Containment Customer Satisfaction Public Relations	$25,000
12	**Marketing and Social Media Audit**	This audit will encompass a review of the policies and procedures surrounding CFX social media use and communication, and comparing those policies and procedures to other business of similar complexity. The following areas will be reviewed: Develop and Communicate Strategy, Sustain Leadership, Promote Culture, Manage Community, Refresh Content and Programming, Enforce Policies and Governance, Deploy Tools, Measure and Report.	Public Relations Communication Cyber / Data Security	$35,000
13	**Secure Code Review**	This review will assess the security of production code for applications that are developed in-house. Application's functionality, security standards, and coding practices will be reviewed through documentation and by conducting both automated and manual analysis against the Open Web Application Security Project ("OWASP") framework.	Cyber / Data Security	$40,000
14	**RPA and Automation Review**	This project will include an assessment of CFX's business and opportunities to apply Robotic Process Automation to business processes that are manual, routine, repetitive, and time consuming in nature. Hours allocated to this project may be used to develop use cases, cost benefit analyses, and prototype BOT development for an area of significant opportunity for efficiency gains.	Cost Containment	$30,000
15	**NIST Cybersecurity Framework Review**	This review will compare the Expressway Authority's information security practices and procedures to the NIST Cyber Security Framework. This framework is widely recognized as the benchmark for assessing/creating overall information security programs.	Cyber / Data Security	$45,000

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FY 2020 INTERNAL AUDIT PROJECT DESCRIPTIONS

#	Project	Project Description	Risks	Estimated Cost
16	**Lane Scheduling and Customer Service Management Review**	Protiviti will conduct a review of the lane scheduling process and related customer service management processes, with an objective of providing ideas to improve customer experience and/or enhance staffing efficiency. This project will involve an analysis of current state processes, review of staffing models, review of customer service policies and procedures, and use of key performance indicators used to measure and monitor service levels.	Cost Containment Customer Satisfaction Public Relations	$30,000

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APPENDIX A
INTERNAL AUDIT CHARTER

INTERNAL AUDIT CHARTER

Central Florida Expressway Authority
Fiscal 2020 Internal Audit Department Charter

Mission & Purpose

The mission of the internal audit department is to provide CFX Board with independent, objective assurance and consulting services designed to add value, improve the Expressway Authority's operations, and enhance transparency. The purpose of internal audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight into whether Expressway resources are responsibly and effectively managed to achieve intended results. The internal audit department helps the Expressway accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Standards & Professionalism

Internal audit will govern itself by adherence to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Definition of Internal Auditing, the Code of Ethics, and International Standards for the Professional Practice of Internal Auditing.

The Institute of Internal Auditors' Practice Advisories, Practice Guides, and Position Papers will also be adhered to as applicable to guide operations. In addition, the internal audit activity will adhere to the Expressway's relevant policies and procedures and the internal audit activity's standard operating procedures manual. Internal Audit will report periodically to senior management and the Board regarding the internal audit department's conformance to the Code of Ethics and the Standards.

Authority

The Internal Auditor is appointed by the Expressway Authority Board, and reports to them through the Audit Committee. The role of the Internal Auditor may be filled by an outside firm that provides internal audit services to the Expressway Authority on an outsourced basis. For administrative purposes, the Internal Auditor reports to the Office of the General Counsel. To establish, maintain, and assure that the Expressway Authority's internal audit department has sufficient authority to fulfill its duties, the Board will:

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INTERNAL AUDIT CHARTER

Authority (continued)

- Approve the internal audit department's charter.
- Approve the risk-based audit plan.
- Approve the internal audit department's budget and resource plan.
- Receive communications on the internal audit department's performance relative to its plan and other matters.
- Make appropriate inquiries of management and internal audit department to determine whether there is inappropriate scope or resource limitations.

Everything the Expressway Authority does is subject to assessment by internal audit. The Board authorizes the internal audit department to:

- Have full, free, and unrestricted access to all functions, records, property, and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information.
- Allocate resources, set frequencies, select subject, determine scopes of work, apply techniques required to accomplish audit objectives, and issue reports.
- Obtain the necessary assistance of personnel in units of the organization where they perform audits, as well as other specialized service from within or outside the organization, as approved by the Audit Committee.

Internal Audit Plan

At least annually, the Internal Audit Department will submit to senior management and the Board an internal audit plan for review and approval. The internal audit plan will consist of a work schedule as well as budget and resource requirements for the next fiscal/calendar year. The Internal Audit Department will communicate the impact of resource limitations and significant interim changes to senior management and the Board.

The internal audit plan will be developed based on a prioritization of audit universe using a risk-based methodology, including input of senior management and the Board. The Internal Audit Department will review and adjust the plan, as necessary, in response to changes in the organization's business, risks, operations, programs, systems, and controls. Any significant interim changes from the approved internal audit plan will be communicated to senior management and the Board through periodic activity reports.

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INTERNAL AUDIT CHARTER

Independence & Objectivity

The internal audit activity will remain free all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content. If it is determined that independence or objectivity may be impaired in fact or appearance, the details of impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe in their work product, that no quality compromises were made, and that they do not subordinate their judgment on audit matters to others.

To ensure independence, the internal audit function has no direct responsibility or any authority over any of the activities or operations of the Expressway. Accordingly, they will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair internal auditor's judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing any operational duties for the Expressway Authority or its affiliates.
- Initiating or approving transactions external to the internal audit department.
- Directing the activities of any CFX employee not employed by the internal audit department, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist internal auditors.

The Internal Auditor will disclose any impairment of independence or objectivity, in fact or appearance, to appropriate parties. The Internal Auditor will exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. The Internal Auditor will make a balanced assessment of all the relevant circumstances and take necessary precautions to avoid being unduly influenced by their own interests or by others in forming judgments.

The Internal Audit Department will confirm to the Board, at least annually, the organizational independence of the internal audit activity. The Internal Audit Department will disclose to the Board any interference and related implications in determining the scope of internal auditing, performing work, and/or communicating results.

INTERNAL AUDIT CHARTER

Scope
Management is responsible for establishing and maintaining risk management, control, and governance processes. The scope of work of internal audit encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the Board, management, and outside parties on the adequacy and effectiveness of governance, risk management, and control processes for the Expressway Authority. Internal audit assessments include determining whether management's processes are adequate and functioning in a manner to ensure: • Risks relating to the achievement of the Expressway Authority's strategic objectives are appropriately identified and managed. • Interaction with the various governance groups occurs as needed. • Significant financial, managerial, and operating information and the means used to identify, measure, analyze, classify, and report such information are relevant, reliable and understandable. • Employee, officer, director, and contractor actions comply with policies, standards, procedures, and applicable laws, regulations, and governance standards. • Resources and assets are acquired economically, used efficiently, and adequately protected. • Results of programs, plans, and operations consistent with established goals and objectives are achieved. • Operations or programs are being carried out effectively and efficiently. • Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact the Expressway Authority. • Quality and continuous improvement are fostered in control processes. • Significant legislative or regulatory issues are recognized and addressed properly. • Means of safeguarding assets are adequate and, as appropriate, existence of such assets can be verified. • Organization's risk management processes are effective. • Quality of performance of external auditors and the degree of coordination with internal audit are appropriate. • Specific operations are evaluated at the request of the Board or management, as appropriate. Internal Audit also considers relying upon the work of other internal and external assurance and consulting service providers as needed. The internal audit department may perform advisory and related client service activities, the nature and scope of which will be agreed with the Expressway Authority, provided the internal audit department does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during engagements. These opportunities will be communicated to the appropriate level of management.

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INTERNAL AUDIT CHARTER

Responsibility

The internal audit department's responsibility includes, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organization's governance, risk management, and internal controls as well as the quality of performance in carrying out assigned responsibilities to achieve the organization's stated goals and objectives. This includes:

- Ensuring each engagement of the internal audit plan is executed, including the establishment of objectives and scope, the assignment of appropriate and adequately supervised resources, the documentation of work programs and testing results, and the communication of engagement results with applicable conclusions and recommendations to appropriate parties.
- Ensuring the principles of integrity, objectivity, confidentiality, and competency are applied and upheld.
- Ensuring the internal audit department collectively possesses or obtain the knowledge, skills, and other competencies needed to meet the requirements of the internal audit charter.
- Ensuring trends and emerging issues that could impact the Expressway Authority are considered and communicated to senior management and the Board as appropriate.
- Ensuring emerging trends and successful practices in internal auditing are considered.
- Establishing and ensuring adherence to policies and procedures designed to guide the internal audit department.
- Ensuring adherence to the Expressway Authority's relevant policies and procedures, unless such policies and procedures conflict with the internal audit charter. Any such conflicts will be resolved or otherwise communicated to senior management and the Board.
- Ensuring conformance of the internal audit department with the Standards, with the following qualifications:
    - If the internal audit department is prohibited by law or regulation from conformance with certain parts of the Standards, the internal audit department will ensure appropriate disclosures and will ensure conformance with all other parts of the Standards.
    - If the Standards are used in conjunction with requirements issued by other authoritative bodies, the internal audit department will ensure conformance with the Standards, even if the internal audit department also conforms with the more restrictive requirements of other authoritative bodies.

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INTERNAL AUDIT CHARTER

Reporting & Monitoring

A written report will be prepared and issued by the Internal Audit Department following the conclusion of each internal audit engagement and will be distributed as appropriate. Internal audit results will also be communicated to the Board.

The internal audit report may include management's response and corrective action taken or to be taken in regard to the specific findings and recommendations. Management's response, whether included within the original audit report or provided thereafter (i.e. within thirty days) by management of the audited area should include a timetable for anticipated completion of action to be taken and an explanation for any corrective action that will not be implemented.

The internal audit activity will be responsible for appropriate follow-up on engagement findings and recommendations, and reporting periodically to senior management and the Board any corrective actions not effectively implemented. All significant findings will remain in an open issues file until cleared.

The Internal Audit Department will periodically report to senior management and the Board on the internal audit activity's purpose, authority, and responsibility, as well as performance relative to its plan and conformance with the IIA's Code of Ethics. Reporting will also include significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by senior management and the Board. Results of audit engagements and other activities, resource requirements, and any response to risk by management that may be unacceptable to the Expressway Authority will also be communicated periodically to the Board.

Quality Assurance & Improvement Program

The internal audit activity will maintain a quality assurance and improvement program that covers all aspects of the internal audit activity. The program will include an evaluation of the internal audit activity's conformance with the Definition of Internal Auditing and the Standards and an evaluation of whether internal auditors apply the Code of Ethics. The program also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.

The Internal Audit Department will communicate to senior management and the Board on the internal audit activity's quality assurance and improvement program, including results of ongoing internal assessments and external assessments conducted at least every five years by a qualified, independent assessor or assessment team from outside the Expressway Authority.

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APPENDIX B
ENTERPRISE RISK ASSESSMENT

ENTERPRISE RISK ASSESSMENT

To assist with the development of the fiscal 2020 Internal Audit Plan, Internal Audit used the prior year risk model as the starting point for discussions with the Board and management. Internal Audit asked the Board and management to consider the current business environment, critical business initiatives, and prior year audit results to provide input on which risks warranted the most focus in today's environment. In addition, management was asked to identify any new risks that may not have been considered in past years for inclusion in the current risk model.

Internal Audit utilized the aggregated input obtained during interviews with the Board and management and from risk surveys of management to develop a list of potential internal audit projects for fiscal 2020, with the objective being to help the Audit Committee and management mitigate areas of highest residual risk, monitor areas of high inherent risk, or to mitigate areas where risks are trending higher.

Risk is defined as follows:

Risk:

- Is the possibility of an event occurring that will have a negative impact on the achievement of goals and objectives and could also include the cost of missing an opportunity.

Inherent Risk:

- Is the amount of risk to the business given the environment in which it operates, without considering the application of controls. The risks identified on the following page represent the risk areas deemed most important for CFX to manage and control in order to achieve its goals and objectives.

Residual Risk:

- Is the amount of risk remaining after the application of management controls. Residual risk was judgmentally considered for purposes of this fiscal 2020 audit plan in the selection of potential projects for inclusion in the plan. The results of the residual risk assessment are depicted via the Enterprise Risk Map on the following pages.

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ENTERPRISE RISK MODEL

	Strategic and Governance	1. **Strategic Planning**	7. **Governance**	13. **Public Relations**
		2. Organization Structure	8. Political Environment	14. National Interoperability
		3. Contingency Planning	9. **Ethical Compliance**	15. Toll Rate Management
		4. Regulatory Changes	10. **Communication**	16. Asset and Liability Transfer Risk
		5. Access to Capital	11. Leadership	17. Multimodal Opportunities
		6. Statewide Interoperability	12. Outsourcing	

	Financial	18. **Fraud**	23. Cash Handling
		19. Management Performance Reporting	24. **Procurement and Vendor Selection**
		20. Bond Financing / Covenant Compliance	25. **Contract Performance Reporting**
		21. **Cost Containment**	26. Financial Reporting
		22. Treasury and Liquidity Management	27. Right of Way

	Operations and IT	28. Toll Violations	34. Business Continuity / Disaster Recovery
		29. Toll Collections	35. Insurance Coverage
		30. Business / IT Applications and Systems	36. **Customer Satisfaction**
		31. Human Resources	37. **Cyber / Data Security**
		32. IT Infrastructure / Tolling System Infrastructure	38. Toll Discounts / Rebates
		33. IT Operations	

	Regulatory and Compliance	39. **Contract Management**	41. **Records Management**
		40. Maintenance and Safety	

Bold represents risks addressed by the FY 2020 Internal Audit plan.

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ENTERPRISE RISK MAP – RESIDUAL RISK
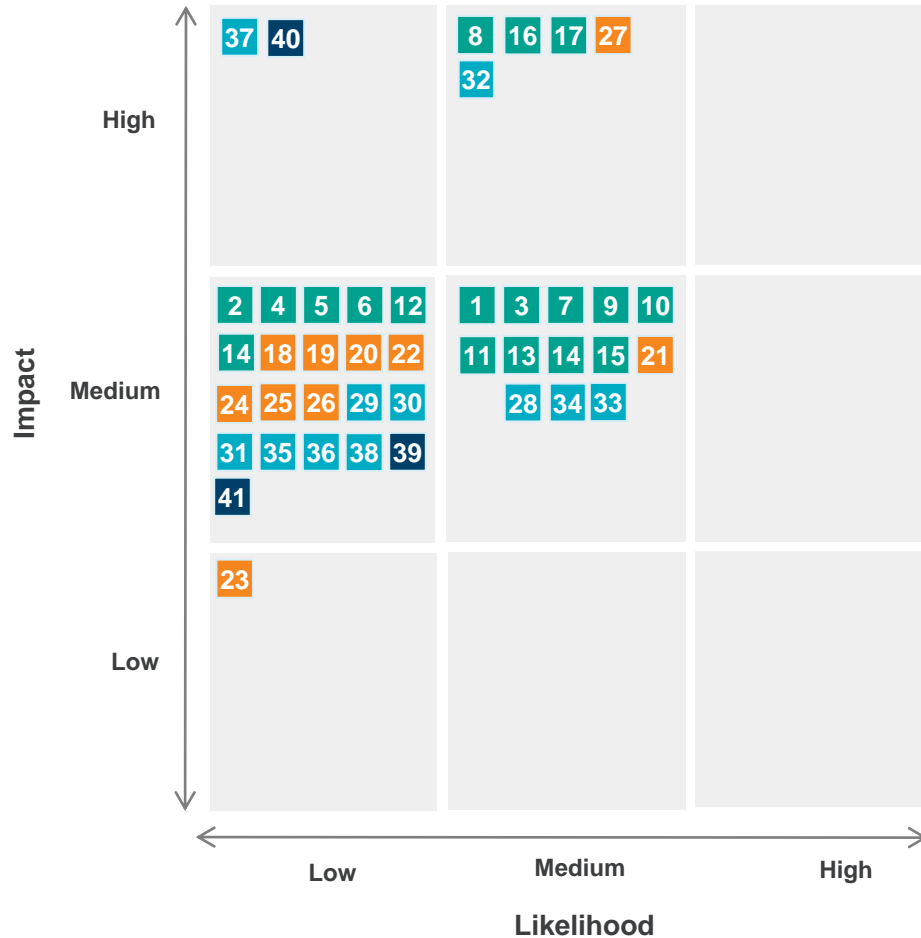
Strategic and Governance

1	Strategic Planning
2	Organization Structure
3	Contingency Planning
4	Regulatory Changes
5	Access to Capital
6	Statewide Interoperability
7	Governance
8	Political Environment
9	Ethical Compliance
10	Communication
11	Leadership
12	Outsourcing
13	Public Relations
14	National Interoperability
15	Toll Rate Management
16	Asset and Liability Transfer Risk
17	Multimodal Opportunities

Operations and IT

28	Toll Violations
29	Toll Collections
30	Business/IT Application Controls
31	Human Resources
32	IT Infrastructure / Tolling System Infrastructure
33	IT Operations
34	Business Continuity/Disaster Recovery
35	Insurance Coverage
36	Customer Satisfaction
37	Cyber / Data Security
38	Toll Discounts/Rebates

Regulatory and Compliance

39	Contract Management
40	Maintenance and Safety
41	Records Management

Financial

18	Fraud
19	Management Performance Reporting
20	Bond Financing/Covenant Compliance
21	Cost Containment
22	Treasury and Liquidity Management
23	Cash Handling
24	Procurement and Vendor Selection
25	Contract Performance Reporting
26	Financial Reporting
27	Right of Way

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KEY FRAUD RISKS

As part of the Enterprise Risk Assessment, Internal Audit discussed potential fraud risk scenarios with management and the Board and identified the following potential fraud scenarios for consideration when executing FY 2020 Internal Audit work.

- Unauthorized / improper use of corporate credit cards / misuse of funds
- Awarding of work to related parties
- Bribery / kickback to award bids
- Management disclosure of confidential information during procurement
- Theft or misuse of confidential financial information
- Billing for work not performed or vendor overbillings
- Circumvention of procurement
- Selective disclosure to Board or public
- Earnings management
- Management override of controls
- Nepotism
- Use of confidential information for personal gain
- Solicitation
- Unauthorized adjustment of salary / wages

- Creation of ghost vendors or employees
- Manual journal entries
- Partner billings / payments
- Adjustment to customer accounts
- Theft of cash
- Toll violations
- Counterfeit cash
- Price fixing
- Bid rigging
- Off contract agreements
- Payment of false invoices / invoices do not match contract terms
- Misuse of company assets / theft of company assets
- Falsification of hours worked
- Theft / forgery of payroll or blank checks
- Improper changes to vendor data to misdirect payments

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APPENDIX C
OTHER POTENTIAL AUDITS

OTHER POTENTIAL AUDITS NOT SELECTED FOR 2020 INTERNAL AUDIT PLAN

#	Project	Project Description	Risks
1	**Customer Service Center Performance Assessment**	Leveraging subject matter expertise, Protiviti will conduct an assessment of the customer contact center and consider current needs of the center, including opportunities to reduce staff turnover. The audit will involve a review of the center's performance through an organizational analysis, a customer contact analysis, an analysis of technology, infrastructure and applications, and a statistical data analysis. This audit will also consider whether the outsourced approach to providing these functions is still one that is yielding appropriate financial and economic benefits to CFX.	Cost Containment Customer Satisfaction Public Relations
2	**Ethics Policy Compliance Audit**	CFX has a formal ethics policy in place. Internal Audit will review the policy and (1) leverage leading practices to suggest additional areas for consideration to include in the policy and (2) review compliance with the policy, including the new provisions added as a result of Florida state legislation.	Ethical Compliance
3	**IT General Controls Review**	This review will focus on the Expressway Authority's Information Systems area. To accomplish this, we will assess the policies and procedures that are utilized to support the business critical applications and systems at CFX. Our approach will be to focus on the IT General Computer Controls which include the following components: Change Management, Logical Security, Physical Security, Security Administration, IT Organization & Management.	Business / IT Applications and Systems IT Infrastructure
4	**Information Security Risk Assessment**	Protiviti will conduct a risk assessment of CFX's IT function that will identify asset groupings within the environment and assign them a value so that Management may prioritize in what order to address risks posed to them. This value is based on the likelihood and potential impact of threats posed to these assets, the vulnerabilities they have, and the safeguards surrounding them. This project will be conducted in two phases.	Cyber / Data Security
5	**Bond Financing Review**	CFX has $2.8B of bonds issued and outstanding with varying terms. As part of this project, we will perform a risk assessment of the financing process, a review of the policies (including policies to procure the financial advisor, underwriter, attorneys, and others involved in the financing process), and a review of the process to structure financing deals and manage existing portfolio risk. This project may also include a review of the process to monitor bond covenant compliance.	Bond Financing / Covenant Compliance
6	**Right of Way Audit**	This audit will include a review of the processes and procedures in place to manage Right of Way land acquisitions and may include a review of legal counsel responsibilities, involvement of the ROW Committee, and internal controls around managing legal counsel and other third party costs and overall purchase price. The review may include a trending analysis of appraised cost values for recent purchases and a review of outliers.	Cost Containment Public Relations Records Management

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OTHER POTENTIAL AUDITS NOT SELECTED FOR 2020 INTERNAL AUDIT PLAN

#	Project	Project Description	Risks
7	**Toll Revenue Audit**	This audit will focus on cash toll collections and electronic tolling collections, with the objectives to review (1) controls that ensure revenue data captured at the point or origin is completely and accurately recorded to the financial statements, (2) physical safeguarding controls exist around cash (including the use of security and surveillance, data analytics, monitoring and reporting, and counts/other reconciling activities), (3) controls in place around processing revenue adjustments to customer accounts are operating according to policy, and (4) appropriate reconciliation controls are in place to monitor revenue related to interoperability agreements. Additionally, IT general controls around supporting systems and information technology will be reviewed.	Toll Collections Cash Handling
8	**Business Continuity Management Review**	This review will focus on how CFX manages Business Continuity, including IT Disaster Recovery plans and Crisis Management. The review will include an assessment of the documented plans as well as the foundational efforts that were performed to create them (such as a Business Impact Analysis).	Business Continuity / Disaster Recovery
9	**Purchasing Spend Data Audit**	This review will focus on a 100% interrogation of spending data over a three to five year history to identify opportunities for recovery such as vendor overpayments, unused vendor credits, etc. We will use proprietary tools to review the Expressway Authority's detailed spend data for areas of leakage and audit against contracts and other available information as red flags are identified. As a side benefit to any actual recoveries, we will also focus on identifying potential frauds, root causes and process improvement opportunities.	Cost Containment Fraud Procurement and Vendor Selection
10	**Accounting System Access and Segregation of Duties Review**	The financial close and related accounting processes will be reviewed for appropriate segregation of duties among CFX personnel. Protiviti-developed tools will be leveraged to verify segregation for each key accounting cycle around the following: Physical custody of assets, adjustments to accounting records, approvals of accounting transactions, and review responsibilities. In addition, we will also review access rights within the Eden financial package to verify system access restrictions appropriately support segregation of duties and to identify segregation of duties conflicts within the system. We will recommend compensating monitoring controls to the extent necessary.	Financial Reporting Fraud
11	**Human Resources Process Review**	During the Human Resource Process review, we will evaluate the Human Resource process, policies, procedures and related internal controls. The review may include recruiting and hiring; training; performance evaluations; performance, reward, and recognition; and employee terminations. The HR process and controls will be reviewed for compliance with policies and comparison to leading HR practices. Lastly, the succession planning strategy may be reviewed and compared to leading practices.	Human Resources

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OTHER POTENTIAL AUDITS NOT SELECTED FOR 2020 INTERNAL AUDIT PLAN

#	Project	Project Description	Risks
12	Safety and Maintenance Policy and Procedures Compliance Audit	The objective of this project will be to review the safety and maintenance policies and procedures in place, including any recent technological enhancements to safety within the system (e.g. new technology measures to help reduce the risk of wrong way driving), vendor management programs, and to test compliance with the safety and maintenance policies and procedures.	Maintenance and Safety
13	Toll Violations and Pay-by-Plate Audit	This audit will focus on reviewing the processes, policies, procedures, technology, and reporting in place around the violations process to verify the process is working as intended. Focus will be on enhancing the efficiencies around the process to review violations and to bill and collect violations revenue. Samples of deleted/voided unpaid toll notices will also be reviewed to verify there is sufficient justification for voiding.	Toll Violations Toll Collections Business / IT Applications and Systems Customer Satisfaction
14	Sensitive Data Review	This review will include an assessment of how sensitive data is defined and categorized, where it exists logically on the CFX network and systems, and how it is destroyed when it is no longer needed. IT will include a review of any policies that govern sensitive data (as defined by CFX). Additionally, IA will use an automated data loss prevention (DLP) scanning tool to conduct a scan on a sample of systems to confirm sensitive data is stored in appropriate network locations.	Cyber / Data Security
15	ITS Security Review	Protiviti will conduct an IT security review of Intelligent Transportation Systems. This review will include an assessment of access controls (physical and logical), hardening procedures, patching processes, and remote connectivity of ITS systems to identify security risks that exist in the ITS network.	Cyber / Data Security
16	Accounting and Financial Controls Review	The objective of this project is to conduct a current state design analysis of key processes, risks, and internal controls within the accounting function and to test the operating effectiveness of key accounting and financial reporting controls, including those designed to detect or prevent fraud. The audit will also include comparisons of CFX's accounting and financial reporting controls to leading practices.	Financial Reporting Fraud

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OTHER POTENTIAL AUDITS NOT SELECTED FOR 2020 INTERNAL AUDIT PLAN

#	Project	Project Description	Risks
17	IT Project Management Review	This project will assess CFX's ability to intake, prioritize, deliver on requests from the business. Protiviti will assess the manner in which IT requests are received and accepted, the potential risks that could impact projects, the testing procedures (including unit testing, peer review, integration, regression and user acceptance), project health metrics, change requirements, and resourcing requirements.	IT Infrastructure Business / IT Applications and Systems IT Operations Strategic Planning Communication
18	Ransomware Review	As part of this project, Protiviti will review CFX's ability to prevent a ransomware attack against the organization. Controls surrounding email systems, open network ports, and USB ports will be reviewed as each of these is a channel through which ransomware may enter an organization. Controls that could contain a ransomware outbreak will also be reviewed to assess the effect of an outbreak within the organization should perimeter controls fail. Backup and recovery practices will be reviewed to determine CFX's ability to resume normal business function should ransomware spread throughout the organization.	Cyber / Data Security Public Relations Insurance Coverage
19	Cyber Security Incident Response Review	Internal Audit will review CFX's Cyber Security Incident Response program by assessing the current incident response strategy as well as the related employee training, policies and procedures, and supporting technologies deployed throughout the environment.	Cyber / Data Security Public Relations Communication Insurance Coverage
20	Cloud Security Review	Internal Audit will conduct an assessment of CFX's cloud computing architecture, including evaluating the strategy, capabilities, operations and processes against industry leading practices. Internal Audit will also review CFX's strategy in determining what data is stored in the cloud as well the controls utilized to ensure that data's integrity and availability.	Cyber / Data Security

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D.4. Annual Confirmation of No Disagreements with Management

No attachment

D.5. Annual Discussion Regarding Internal Audit Performance and Effectiveness

No attachment

ANNUAL DISCUSSION REGARDING AUDIT COMMITTEE AND INDIVIDUAL MEMBER PERFORMANCE

No attachment

A RESOLUTION OF THE
CENTRAL FLORIDA EXPRESSWAY AUTHORITY
AMENDING ITS
AUDIT COMMITTEE CHARTER

WHEREAS, the Central Florida Expressway Authority (CFX) is Central Florida's regional expressway authority duly authorized by state law to maintain and operate an expressway system in Lake, Orange, Osceola, Seminole and Brevard counties; and

WHEREAS, CFX previously adopted a policy creating the Audit Committee and its Charter; and

WHEREAS, the Audit Committee has recommended certain governance changes to its Audit Committee Charter.

NOW THEREFORE, BE IT RESOLVED BY THE CENTRAL FLORIDA EXPRESSWAY AUTHORITY, the following amendments are hereby adopted by the governing Board:

Section 1. The Audit Committee shall be composed of the following voting members:

1. Orange County staff member or citizen representative appointed by the Orange County Commission or in accordance with Orange County's policies providing for appointments to other governmental agencies;
2. City of Orlando staff member or citizen representative appointed by the City of Orlando Commission or in accordance with the City of Orlando's policies providing for appointments to other governmental agencies;
3. Lake County staff member or citizen representative appointed by Lake County Commission or in accordance with Lake County's policies providing for appointments to other governmental agencies;
4. Osceola County staff member or citizen representative appointed by the Osceola County Commission or in accordance with Osceola County's policies providing for appointments to other governmental agencies;
5. Seminole County staff member or citizen representative appointed by the Seminole County Commission or in accordance with Seminole County's policies providing for appointments to other governmental agencies.
6. Brevard County staff member or citizen representative appointed by the Brevard County Commission or in accordance with Brevard County's policies providing for appointments to other governmental agencies.
7. Up to three (3) citizen representatives appointed by the CFX governing Board after receiving nominations submitted by the gubernatorial Board appointees. The term for such appointments shall be for two years commencing upon appointment which term may be renewed.

One nomination per gubernatorial appointee is allowed, but it shall not be mandatory that nominations be made. Committee member appointments may not be delegated. The Committee members will serve at the pleasure of their respective jurisdictions. County and City appointments may include contract personnel currently providing services to the appointing entity. Notwithstanding the two year term, the citizen representatives shall serve at the pleasure of the CFX Board. Committee members should have financial expertise in general accounting principles and experience reviewing financial statements and audit reports.

Section 2. <u>Chairman selection</u>. The Audit Committee will be chaired on an annual, rotating basis beginning September 1, 2017, in the following order (current 2016-17 term remains in effect):

Current	Seminole County Representative
2017-2018	Osceola County Representative
2018-2019	One of Citizen Representatives
2019-2020	Lake County Representative
2020-2021	City of Orlando Representative
2021-2022	Brevard County Representative
2022-2023	Orange County Representative

<u>In the event there is no available representative from the entity assigned to serve the role of Chairman, the next scheduled representative shall serve a one-year term with regular order of succession to resume thereafter.</u>

The Audit Committee Chair shall serve as the Board Liaison and attend CFX Board meetings<u>. Attendance may be via telephone.</u>

Section 3. <u>Quorum.</u> If all three gubernatorial Board members make nominations and the Board approves the appointments, the Committee shall consist of nine members and a quorum shall be five members present. If only two appointments are made the Committee shall consist of eight members and a quorum shall be five members present. If only one appointment is made the Committee shall consist of seven members and a quorum shall be four members present. In order for any action or recommendation to pass there must be a majority affirmative vote of the quorum based on the then current composition of the Committee.

<u>Due to scheduling conflicts or illness a Committee Member may appear by telephone and vote on agenda items where a quorum is physically present not to exceed three meetings per calendar year. The participating absent member must be able to hear all participants in the meeting and be heard by all participants.</u>

Section 4. The revised Charter is adopted in its entirety as Exhibit "A."

Section 5. This Resolution shall become effective upon adoption.

ADOPTED this_____ day of _____2019.

                                        _____
                                        Jay Madara
                                        CFX Board Chairman

ATTEST: _____
                Mimi Lamaute
                Executive Assistant

                                        Approved as to form and legality:

                                        _____
                                        Joseph L. Passiatore
                                        General Counsel

CENTRAL FLORIDA EXPRESSWAY AUTHORITY BOARD
AUDIT COMMITTEE CHARTER

PURPOSE

The Audit Committee's primary function is to assist the Authority Board in fulfilling its oversight responsibilities by reviewing the financial information, systems of internal control which Management has established, the audit process, the process for monitoring compliance with laws and regulations and the Code of Ethics. In doing so, it is the responsibility of the Audit Committee to provide an open avenue of communication between the Authority Board, Management, the Internal Auditor, and external auditors. The Audit Committee is provided specific authority to make recommendations to the Chief Financial Officer, the Executive Director and the Authority Board.

ORGANIZATION

The Audit Committee shall be composed of the following voting members:

1. Orange County staff member or citizen representative appointed by the Orange County Commission or in accordance with Orange County's policies providing for appointments to other governmental agencies;
2. City of Orlando staff member or citizen representative appointed by the City of Orlando Commission or in accordance with the City of Orlando's policies providing for appointments to other governmental agencies;
3. Lake County staff member or citizen representative appointed by Lake County Commission or in accordance with Lake County's policies providing for appointments to other governmental agencies;
4. Osceola County staff member or citizen representative appointed by the Osceola County Commission or in accordance with Osceola County's policies providing for appointments to other governmental agencies;
5. Seminole County staff member or citizen representative appointed by the Seminole County Commission or in accordance with Seminole County's policies providing for appointments to other governmental agencies.
6. Brevard County staff member or citizen representative appointed by the Brevard County Commission or in accordance with Brevard County's policies providing for appointments to other governmental agencies.
7. Up to three (3) citizen representatives appointed by the CFX governing Board after receiving nominations submitted by the gubernatorial Board appointees. The term for such appointments shall be for two years commencing upon appointment which term may be renewed. One nomination per gubernatorial appointee is allowed, but it shall not be mandatory that nominations be made.

Committee member appointments may not be delegated. The Committee members will serve at the pleasure of their respective jurisdictions. County and City appointments may include contract personnel currently providing services to the appointing entity. Notwithstanding the two year term, the citizen representatives shall serve at the pleasure of the CFX Board. Committee members should have financial expertise in general accounting principles and experience reviewing financial statements and audit reports.

CHAIRMAN SELECTION

The Audit Committee will be chaired on an annual, rotating basis beginning September 1, 2017, in the following order (current 2016-17 term remains in effect):

Current	Seminole County Representative
2017-2018	Osceola County Representative
2018-2019	One of Citizen Representatives
2019-2020	Lake County Representative
2020-2021	City of Orlando Representative
2021-2022	Brevard County Representative
2022-2023	Orange County Representative

In the event there is no available representative from the entity assigned to serve the role of Chairman, the next scheduled representative shall serve a one-year term with regular order of succession to resume thereafter.

SUPPORT STAFF

The Internal Audit Director and the external auditors shall have direct and independent access to the Audit Committee and individually to members of the Audit Committee. The Committee shall have unrestricted access to employees and relevant information. The Committee may retain independent counsel, accountants or others to assist in the conduct of its responsibilities, subject to the Authority's procurement policy.

QUORUM

If all three gubernatorial Board members make nominations and the Board approves the appointments, the Committee shall consist of nine members and a quorum shall be five members present. If only two appointments are made the Committee shall consist of eight members and a quorum shall be five members present. If only one appointment is made the Committee shall consist of seven members and a quorum shall be four members present. In order for any action or recommendation to pass there must be a majority affirmative vote of the quorum based on the then current composition of the Committee.

Due to scheduling conflicts or illness a Committee Member may appear by telephone and vote on agenda items where a quorum is physically present not to exceed three meetings per calendar year. The participating absent member must be able to hear all participants in the meeting and be heard by all participants.

MEETINGS

The Audit Committee chair shall serve as the Board Liaison and attend CFX Board meetings and may attend via telephone. The Audit Committee shall meet at least quarterly. Meetings may be called by the Authority Board Chairman, the Audit Committee Chair, or any two Committee members. Public notice shall be provided in accordance with State law.

The agenda will be prepared by the Internal Audit Director and approved by the Chair and provided in advance to members, along with appropriate briefing materials. In the absence of any objection, the Chair or any Committee member may add or subtract agenda items at a meeting. In the event of objection, a majority vote shall decide. The Committee meeting minutes and any Committee recommendations shall be submitted to the Authority Board for consideration.

RESPONSIBILITIES

Financial Reporting Oversight

1. Review with Management and the external auditors:
    • The annual financial statements and related footnotes;
    • The external auditors' audit of the financial statements and their report;
    • Management's representations and responsibilities for the financial statements;
    • Any significant changes required in the audit plan;
    • Information from the external auditors regarding their independence;
    • Any difficulties or disputes with Management encountered during the audit;
    • The organization's accounting principles;
    • All matters required to be communicated to the Committee under generally accepted auditing standards.
2. Review with Management, the Authority's financial performance on a regular basis.

Internal Control and Risk Assessment

3. Review with Management the effectiveness of the internal control system, including information technology security and control.
4. Review with Management the effectiveness of the process for assessing significant risks or exposures and the steps Management has taken to monitor and control such risks.
5. Review any significant findings and recommendations of the Internal Auditor and external auditors together with Management's responses, including the timetable for implementation of recommendations to correct any weaknesses.

Compliance

6. Review with Management the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.

Code of Ethics

7. Review with Management and monitor adequacy, administration, and compliance with the Authority's Code of Ethics.
8. Review the procedures for the anonymous and confidential submission of complaints and concerns regarding matters such as accounting, internal controls, auditing, waste, abuse, fraud, conflicts of interest, or other Code of Ethics violations.

Internal Audit

9. Recommend to the Board the appointment or removal of the Internal Audit Director.
10. Review and approve the annual internal audit plan and all major changes to the plan.
11. Review the internal audit budget and submit to the Finance Committee.
12. Review and approve the Internal Audit Department Charter.

13. Review internal audit reports and recommend transmittal and acceptance of the audit for filing with the governing Board which shall be accomplished by separate item on the Consent Agenda at a regularly scheduled meeting.
14. Review annually the performance of the Internal Audit Director.
15. Review annually the effectiveness of the internal audit function.

External Audit

16. Appoint an Audit Committee Member to serve on the Selection Committee for all external audit services.
17. Recommend to the Authority Board the external auditors to be appointed and the related compensation.
18. Review and approve the discharge of the external auditors.
19. Review the scope and approach of the annual audit with the external auditors.
20. Approve all non-audit services provided by the external auditors.

Other Authority and Responsibilities

21. Conduct other activities as requested by the Authority Board.
22. Conduct or authorize investigations into any matter within the Committee's scope of responsibilities.
23. Address any disagreements between Management and the Internal Auditor or external auditors.
24. Annually evaluate the Committee's and individual member's performance.
25. Review the Committee's formal Charter annually and update as needed.
26. Confirm annually that all responsibilities outlined in this Charter have been carried out.

Central Florida Expressway
Audit Committee Charter Responsibilities Matrix - Fiscal Year 2019
For Audit Committee as of June 20, 2019

Financial Reporting Oversight

Review with Management and the External Auditors:

Number	Responsibility	Completion Date
1a	The annual financial statement and related footnotes	Oct-18
1b	The external auditors' audit of the financial statements and their report	Oct-18
1c	Managements' representations and responsibilities for the financial statements	Oct-18
1d	Any significant changes required in the audit plan	Oct-18
1e	Information from the external auditors regarding their independence	Oct-18
1f	Any difficulties or disputes with Management encountered during the audit	Oct-18
1g	The organization's accounting principles	Oct-18
1h	All matters required to be communicated to the Committee under generally accepted auditing standards	Oct-18
2	Review with Management, the Authority's financial performance on a regular basis	Oct-18

Internal Control and Risk Assessment

Number	Responsibility	Completion Date
3	Review with Management the effectiveness of the internal control system, including IT security and control	Apr-19
4	Review with Management the effectiveness of the process for assessing significant risks or exposures and the steps Management has taken to monitor and control such risks	Apr-19
5	Review any significant findings and recommendations of the Internal Auditor and external auditors together with Management's responses, including the timetable for implementation of recommendations to correct any weaknesses	External Auditors - Oct 18. Internal auditors - various

Compliance

6	Review with Management the effectiveness of the system for monitoring compliance with laws and regulations and the results of Management's investigation and follow-up (including disciplinary action) of any instances of non-compliance	Apr-19

Code of Ethics

7	Review with Management and monitor adequacy, administration, and compliance with the Authority's Code of Ethics	Apr-19
8	Review the procedures for the anonymous and confidential submission of complaints and concerns regarding matters such as accounting, internal controls, auditing, waste, abuse, fraud, conflicts of interest, or other Code of Ethics violations	Apr-19

Internal Audit

9	Recommend to the Board the appointment or removal of the Internal Audit Director	As Needed
10	Review and approve the annual internal audit plan and all major changes to the plan	Jun-19
11	Review the internal audit budget and submit to the Finance Committee	Jan-19
12	Review and approve the Internal Audit Department Charter	Jun-19
13	Review internal audit reports and recommend transmittal and acceptance of the audit for filing with the governing Board which shall be accomplished by separate item on the Consent Agenda at a regularly scheduled meeting	Various
14	Review annually the performance of the Internal Audit Director	Jun-19
15	Review annually the effectiveness of the internal audit function	Jun-19

External Audit

16	Appoint an Audit Committee Member to serve on the Selection Committee for all external audit services	As Needed
17	Recommend to the Authority Board the external auditors to be appointed and their related compensation	Oct-18
18	Review and approve the discharge of the external auditors	As Needed
19	Review the scope and approach of the annual audit with external auditors	Oct-18

| 20 | Approve all non-audit services provided by the external auditors | **As Needed** |

Other Authority and Responsibilities

21	Conduct other activities as requested by the Authority Board	**As Needed**
22	Conduct or authorize investigations into any matter within the Committee's scope of responsibilities	**As Needed**
23	Address any disagreements between Management and the Internal Auditor or external auditors	**As Needed**
24	Annually evaluate the Committee's and individual member's performance	**Jun-19**
25	Review the Committee's formal Charter annually and update as needed	**Jan-19**
26	Confirm annually that all responsibilities outlined in this Charter have been carried out	**Jun-19**

Audit Committee Composition and Chairman Selection

| 27 | The Audit Committee shall be composed of five voting members from Orange County, the City of Orlando, Lake County, Osceola County, and Seminole County and up to three (3) citien representatives with appointment terms of 2 years. | **As Needed** |
| 28 | The Audit Committee will be chaired on an annual, rotating basis beginning on September 11, 2014 in the following order: Orange County Representative City of Orlando Representative Seminole County Representative Osceola County Representative One Citizen Representative Lake County Representative | **Oct-18** |