CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Prior Audit Recommendations Follow-Up

January 31, 2020

Internal Audit, Risk, Business & Technology Consulting

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EXECUTIVE SUMMARY

Overview

As part of the Fiscal Year 2020 Internal Audit plan, Internal Audit performed a review of open audit recommendations from prior audit reports as of January 31, 2020 to verify the implementation status reported by management. Open recommendations from the following audits were evaluated:

2013 Toll Revenue Audit

2017 Change Management – Tolling System Replacement Audit

2018 Pay by Plate Audit

2018 IT General Controls Review

2019 Cybersecurity Incident Response

2019 Accounting and Financial Controls Review

2019 Toll Revenue Audit

2019 Customer Service Center Performance Review

2019 IT Project Management Review

Internal Audit last reviewed the status of open audit recommendations in October 2019. Results were reported to the Audit Committee at that time.

Objectives, Scope, and Approach

This review was completed as of January 31, 2020 and consisted of meetings with management to determine the status of open audit recommendations and testing of management's response and status. In addition, only those recommendations that remained open at the time of the last review have been included in this report. If a recommendation was completed as of October 15, 2019, no further work was performed, and the recommendation was not included for review.

Testing performed included inquiry with the employees responsible for completing the recommendations and/or review of documentation evidence to confirm management's reported status and explanation. In instances where the evidence obtained did not agree with management's status, discussions with management were held and the differences were resolved. There were no instances where management and Internal Audit did not come to an agreement on the status of a prior audit recommendation.

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EXECUTIVE SUMMARY

Recommendations Summary

Audit	Open as of October 15, 2019	New Action Plans	Completed as of January 31, 2020	In Progress as of January 31, 2020	Past Due
2013 Toll Revenue Audit	1	0	0	1	0
2017 Change Management - Tolling System Replacement Audit	1	0	0	1	0
2018 Pay By Plate Audit	1	0	1	0	0
2018 IT General Controls Review	1	0	0	1	0
2019 Cyber Security Incident Response Review	1	0	1	0	0
2019 Accounting and Financial Controls Audit	4	0	3	1	0
2019 Toll Revenue Audit	1	0	1	0	0
2019 Customer Service Center Performance Review	2	0	1	1	0
2019 IT Project Management Review	3	0	1	2	0
Total	**15**	**0**	**8**	**7***	**0***

* **Seven** recommendations are classified as "In Progress." **Five** of the seven recommendations are past the initial agreed-upon due date; however, these five recommendations are pending completion of a new system implementation or a procurement/vendor selection event so the due date has been revised to match the estimated timing of the necessary event. The other remaining "In Progress" recommendations are within the original, agreed-upon due date.

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STATUS OF ALL OPEN RECOMMENDATIONS

STATUS OF ALL OPEN RECOMMENDATIONS

2013 Toll Revenue Audit

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
Potential Revenue Leakage/Toll Collections Audit: CFX will automate certain aspects of the Toll Plaza Attendant's Shift Record Log by integrating tracking of unusual occurrences, violations, and insufficient fund transactions within system. This recommendation will be implemented as a function of the Tolling System replacement.	David Wynne, Director of Toll Operations	In Progress - Contingent upon Full Implementation of New Tolling System	Per discussion with Dave Wynne, Director of Toll Operations, this recommendation will be implemented within the Toll System Replacement project. The new system is currently operational except for the manned cash lanes. The implementation of this system automation includes collector buttons that are pre-designated for specific occasions and vehicles that come through the tolling lanes. Management expects the automated collector buttons to be implemented in the manned cash lanes by the revised due date of 12/31/2020.	Original: 7/1/15 Revised: 12/31/17 Revised: 12/31/19 Revised: 12/31/20

2017 Change Management - Tolling System Replacement Audit

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
TSR Vulnerability Scans: Management will remediate the Medium vulnerabilities near the completion of the TSR project.	Jim Greer, Chief of Technology and Operations	In Progress - Contingent upon Full Implementation of New Tolling System	Per discussion with Jim Greer, Chief of Technology and Operations, the remediation of these vulnerabilities is contingent upon the Toll System Replacement project completion. Management expects the Medium vulnerabilities related to the Tolling System Replacement to be completed by the revised due date of 12/31/2020.	Original: 6/30/19 Revised: 9/30/20 Revised: 12/31/20

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STATUS OF ALL OPEN RECOMMENDATIONS

2018 Pay By Plate Audit

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
Pay By Plate Program Management Procedures: The Director of Toll Operations, the Manager of E-PASS and Plaza Operations, and the Manager of VES and Special Projects will document written procedures for CFX's Pay By Plate program to address the clearly define the review and monitoring control activity. The procedures will be reviewed and updated at least annually and published on SharePoint.	David Wynne, Director of Toll Operations Paul Schatz, Manager of VES and Special Projects	Complete	Per discussion with David Wynne, Director of Toll Operations, and Paul Schatz, Manager of VES and Special Projects, Internal Audit determined that policies and procedures for the Pay By Plate program have been created and codified. Internal Audit obtained these policies and procedures and observed that review and monitoring control activities are now in place. As such, Internal Audit determined that this recommendation was implemented by the revised due date.	Original: 6/30/19 Revised: 12/31/19

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STATUS OF ALL OPEN RECOMMENDATIONS

2018 IT General Controls Review (1 – In Progress - Contingent on System Implementation)
Exempt F.S.282.318

2019 Cybersecurity Incident Response Review (1 - Complete) **Exempt F.S.282.318**

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STATUS OF ALL OPEN RECOMMENDATIONS

2019 Accounting and Financial Controls Review

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
Vendor Master File Management: 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 changed into the CFOs monthly review procedures.	Lisa Lumbard, CFO	In Progress - Contingent on RFP	Per discussion with the CFO, the EDEN accounting system recognizes every invoice paid as an update to the vendor within the AP module. As such, it is not possible to review monthly vendor changes as part of the current review process. The Authority is currently undergoing the RFP process to implement a new ERP system which, among other things, will allow management to review actual vendor changes in the AP module. In the meantime, the invoice review process has been updated to include a review of vendor information per EDEN against the invoice received to ensure appropriateness of the payee. The implementation of the new ERP system is expected to be completed by the revised due date of 6/30/2021.	Original: 8/31/19 Revised: 6/30/21
Year End Accounting Checklist: 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.	Mike Carlisle, Director of Accounting	Complete	Per discussion with the Director of Accounting and Finance, and inspection of the revised checklist, Internal Audit determined that this recommendation was implemented by the prescribed due date.	Original: 12/31/19
Finalized Financial Statement Review: CFX will enhance the year end accounting checklist to include sign-off procedures for the review of the financial data with the final CAFR.	Mike Carlisle, Director of Accounting	Complete	Per discussion with the Director of Accounting and Finance, and inspection of the revised year-end checklist, Internal Audit determined that this recommendation was implemented by the prescribed due date.	Original: 12/31/19

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STATUS OF ALL OPEN RECOMMENDATIONS

2019 Accounting and Financial Controls Review (Continued)

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
Accounting Disclosure Requirements Review: 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	Mike Carlisle, Director of Accounting	Complete	Per discussion with the Director of Accounting and Finance, and inspection of the revised year-end checklist, Internal Audit determined that this recommendation was implemented by the prescribed due date.	Original: 12/31/19

2019 Toll Revenue Audit

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
System Support and Maintenance: CFX will continue to monitor vendor performance and benchmark according to defined service level agreements.	Joann Chizlett, Director of Special Project	Complete	Per discussion with the Director of Special Project and inspection of the December "Monthly Performance Measures Monitoring Report" from Transcore, Internal Audit determined that this recommendation was implemented by the prescribed due date.	Original: 12/31/20

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STATUS OF ALL OPEN RECOMMENDATIONS

2019 Customer Service Center Performance Review

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
Intelligent Voice Response (IVR) Solution: CFX will develop a roadmap or strategy to update and modernize the IVR as it is integrated with the new tolling operations system.	Jim Greer, Chief of Technology and Operations David Wayne, Director of Toll Operations	In Progress - Contingent on RFP	Per discussion with the Chief of Technology and Operations, as a part of the Microsoft development for IVR, "screen pops" have been added which alert CSRs servicing customers of any data that has been already captured by the system, based on account or phone number, so that the CSR is more readily able to address the customers' needs. This process is ongoing and will be completed as part of the updates to the tolling operations system. Remediation of this finding is contingent upon an ongoing RFP; as such, the due date has been revised to 12/31/2020. The recommendation is expected to be completed by the revised due date.	Original: 12/31/19 Revised: 6/30/20 Revised: 12/31/20
Business Intelligence / Data Analytics: As CFX pursues the new tolling operations system, CFX will perform a cost analysis to evaluate the cost of capturing detailed level data for 13 months. In addition, CFX will develop a roadmap for designing dashboards and reports that contain pertinent information, performance indicators and trend analysis in a user-friendly presentation.	Jim Greer, Director of Information Technology, and David Wayne, Director of Toll Operations	Complete	Per discussion with the Chief of Technology and Operations, Internal Audit determined that a dashboard has been created within Power BI which updates in near real-time to display CMS data from a new external database. Internal Audit obtained a screenshot of the dashboard to corroborate the Chief of Technology and Operations' statements. As such, Internal Audit determined that this recommendation was implemented by the prescribed due date.	Original: 12/31/19 Revised: 12/31/20

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STATUS OF ALL OPEN RECOMMENDATIONS

2019 IT Project Management Review

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
Project Management Framework: Management will develop a plan for implementing a formalized project management framework that includes policies, procedures and templates to facilitate project management life cycles at CFX. ITIL will be considered as this framework is developed.	Jim Greer, Chief Technology and Operations Officer	In Progress	Per discussion with the Chief of Technology and Operations, remediation of this finding is in progress and expected to be completed by the original due date. No exceptions noted.	Original: 7/31/20
Resource Planning: Management will formalize resourcing practices with regard to projects at CFX based on requirements and budgets defined in the project intake process (see Observation 2). CFX will integrate these practices within the ERP system planned for 2021.	Jim Greer, Chief Technology and Operations Officer	In Progress - Contingent on RFP	Per discussion with the Chief of Technology and Operations, remediation of this finding will involve integration of CFX's timekeeping ERP system within Cherwell. As EDEN is slated to be replaced in 2021 by a new ERP system, remediation of this finding is contingent upon new ERP system implementation; the revised due date reflects this contingency. This recommendation is expected to be completed by the revised due date.	Original: 7/31/20 Revised: 6/30/21
Portfolio Management: Management will continue plans to enhance and leverage the Cherwell deployment to support the portfolio management function at CFX.	Jim Greer, Chief Technology and Operations Officer	Complete	Per discussion with the Chief of Technology and Operations and inspection of system screenshots, Internal Audit determined that remediation of this finding was completed as a part of system enhancements made within Cherwell.	Original: 3/31/20

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