



# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Prior Audit Recommendations Follow-Up

March 31, 2021

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# EXECUTIVE SUMMARY



## Overview

As part of the Fiscal Year 2021 Internal Audit plan, Internal Audit performed a review of open audit recommendations from prior audit reports as of March 31, 2021 to verify the implementation status reported by management. Open recommendations from the following audits were evaluated:



2013 Toll Revenue Audit	2019 LENS Access Control Review
2017 Change Management – Tolling System Replacement Audit	2020 Secure Code Review
2018 IT General Controls Review	2020 COSO ERM Governance Review
2019 Accounting Financial Controls Review	2020 Marketing and Social Media Audit
2019 Customer Service Center Performance Review	2020 P-Card and Gas Card Audit
2019 IT Project Management Review	2020 Retail Transponder Sales Review
	2020 Public Records Review

Internal Audit last reviewed the status of open audit recommendations in September 2020. Results were reported to the Audit Committee in October 2020.



## Objectives, Scope, and Approach

This review was completed as of March 31, 2021 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 September 30, 2020, 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.

# EXECUTIVE SUMMARY



## Recommendations Summary

Audit	Open as of September 30, 2020	New Action Plans	Completed as of March 31, 2021	In Progress as of March 31, 2021*	Past Due*
2013 Toll Revenue Audit	1	0	1	0	0
2017 Change Management - Tolling System Replacement Audit	1	0	0	1	0
2018 IT General Controls Review	1	0	0	1	0
2019 Accounting and Financial Controls Audit	1	0	0	1	0
2019 Customer Service Center Performance Review	1	0	1	0	0
2019 IT Project Management Review	1	0	0	1	0
2019 LENS Access Control Review	1	0	0	1	0
2020 Secure Code Review	2	0	1	1	0
2020 COSO ERM Governance Review	5	0	3	2	1
2020 Marketing and Social Media Audit	4	0	2	2	1
2020 P-Card and Gas Card Audit	4	0	2	2	1
2020 Retail Transponder Sales Review	4	0	3	1	0
2020 Public Records	0	3	1	2	1
<b>Total</b>	<b>26</b>	<b>3</b>	<b>14</b>	<b>15*</b>	<b>4*</b>

\***15** recommendations are classified as "In Progress." **Ten** of the 15 recommendations are past the initial agreed-upon due date; however, **six** of these ten 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. **Four** of the ten recommendations are past the initial agreed-upon due date and have been assigned a revised due date. The other remaining "In Progress" recommendations are within the original, agreed-upon due date.

# 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
<p><b>Potential Revenue Leakage/Toll Collections Audit:</b></p> <p>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.</p>	David Wynne, Director of Toll Operations	Complete	Per discussion with the Director of Toll Operations, this recommendation was implemented in the manned cash lanes as part of the Toll System Replacement project. The implementation of this system automation includes collector buttons that are pre-designated for specific occasions and vehicles that pass through the toll booths. Internal Audit obtained the most recent "Unusual Occurrences" report as support for completion of the action plan by the revised due date.	<p>Original: 7/1/2015</p> <p>Revised: 12/31/2017</p> <p>Revised: 12/31/2019</p> <p>Revised: 12/31/2020</p>

## 2017 Change Management - Tolling System Replacement Audit

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>TSR Vulnerability Scans:</b></p> <p>Management will remediate the Medium vulnerabilities near the completion of the TSR project.</p>	Jim Greer, Chief of Technology and Operations	In Progress - Contingent upon Full Implementation of New Tolling System	Per discussion with the Chief of Technology and Operations, CFX has determined that remediation of these vulnerabilities will be performed prior to completion of the Toll System Replacement Project. Management expects the Medium vulnerabilities related to the Tolling System Replacement to be completed by the revised due date of 12/31/2021.	<p>Original: 6/30/2019</p> <p>Revised: 9/30/2020</p> <p>Revised: 12/31/2020</p> <p>Revised: 12/31/2021</p>

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



# STATUS OF ALL OPEN RECOMMENDATIONS

## 2019 Accounting and Financial Controls Review

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Vendor Master File Management:</b></p> <p>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 CFOs monthly review procedures.</p>	Lisa Lumbard, CFO	In Progress - Contingent on Implementation of New ERP System	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. As of the date of testing, the Authority is currently in the beginning stages of implementing 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 12/31/2022.	Original: 8/31/2019  Revised: 12/31/2022

## 2019 Customer Service Center Performance Review

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Intelligent Voice Response (IVR) Solution:</b></p> <p>CFX will develop a roadmap or strategy to update and modernize the IVR as it is integrated with the new tolling operations system.</p>	<p>Jim Greer, Chief of Technology and Operations</p> <p>David Wayne, Director of Toll Operations</p>	Complete	Per discussion with the Director of Toll Operations and Chief of Technology and Operations, CFX has contracted with Nice in Contact for telephone solutions for the agency. As part of the contracted services, CFX implemented the company's integrated IVR offerings to increase capabilities and minimize incompatibilities between systems. Internal Audit observed the Director of Toll operations navigate the Nice in Contact interface to demonstrate newly implemented capabilities in order to confirm completion of the action plan.	Original: 12/31/2019  Revised: 6/30/2020  Revised: 12/31/2020

# STATUS OF ALL OPEN RECOMMENDATIONS

## 2019 IT Project Management Review

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Resource Planning:</b></p> <p>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.</p>	<p>Jim Greer, Chief Technology and Operations Officer</p>	<p>In Progress - Contingent on Implementation of New ERP System</p>	<p>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.</p>	<p>Original: 7/31/2020</p> <p>Revised: 12/31/2022</p>

## 2019 LENS Access Control Review (1 – In Progress) Exempt F.S.282.318

## 2020 Secure Code Review (1 – Complete, 1 – In Progress) Exempt F.S.282.318



# STATUS OF ALL OPEN RECOMMENDATIONS

## 2020 COSO ERM Governance Review

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Business Continuity Documentation:</b></p> <p>CFX will develop business continuity documentation for each component of the Infrastructure department (and validate that third parties have one in place) that outlines the expectations for resuming business operations after a crisis.</p>	Glenn Pressimone, Chief of Infrastructure	Complete	Per discussion with the Chief of Infrastructure, the necessary actions for resuming business operations following a crisis have been documented within the CFX Infrastructure Department's Business Continuity Plan. Internal Audit obtained the Business Continuity Plan as support for completion of the action plan.	12/31/2020
<p><b>Risk Management Working Group:</b></p> <p>CFX will organize a Risk Management Working Group with the following features:</p> <p>Responsible Party/Organizer – Risk Manager Members - Chief Finance Officer, Chief of Technology/Operations, Risk Manager, others may be added as needed Frequency – At the discretion of the Group, or at least semi-annually Agenda – Agenda topics should be determined by the responsible party and may include risks from the Strategic Plan or Risk Model, prior audit recommendations, risk monitoring needs, and other topics.</p>	Lisa Lumbar, Chief Financial Officer	Complete	Per discussion with the CFO and Risk Manager, CFX has established a Risk Management Working Group with the features described in the management action plan. Internal Audit obtained screenshots of meeting invites and meeting minutes as support for completion of the action plan by the prescribed due date.	12/31/2020

# STATUS OF ALL OPEN RECOMMENDATIONS

## 2020 COSO ERM Governance Review (Continued)

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Risk Management Feedback:</b></p> <p>The Risk Management Working Group will include an agenda item to solicit feedback from each relevant department regarding key strategic risks. The Risk Management Working Group, in coordination with management, will update the Three-Year Strategic Plan with the strategic risks for each strategic goal.</p>	Lisa Lumbar, Chief Financial Officer	In Progress (Past Due)	Per discussion with the Risk Manager, feedback regarding strategic risks is being collected from key individuals. Once all feedback has been consolidated, it will be provided to the Chief of Staff to update the 3-Year Strategic Plan. This enhancement opportunity is in progress and on track to be completed by the revised due date of 6/30/2021.	Original: 3/31/2021  Revised: 6/30/2021
<p><b>Vendor Insurance Requirements:</b></p> <p>The Risk Management Working Group will include an agenda item to solicit feedback from each relevant department, and, in coordination with the Procurement Department, will propose updates to current vendor insurance requirements to incorporate risk-based vendor management concepts.</p>	Lisa Lumbar, Chief Financial Officer	Complete	Per discussion with the CFO, the newly hired Risk Manager is responsible for assessing contractual requirements on a contract-by-contract basis to ensure that vendors have optimal coverage. To support completion of the action plan, Internal Audit obtained documentation from the Risk Manager evidencing review and assessment of insurance requirements for contracts.	3/31/2021

# STATUS OF ALL OPEN RECOMMENDATIONS

## 2020 COSO ERM Governance Review (Continued)

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Data Requests:</b></p> <p>The Risk Management Working Group will include an agenda item to monitor status of each of the above data requests and follow up as needed. Additionally, the Risk Management Working Group will coordinate with the Technology / Operations Department to refine the ticketing system by which reporting requests are made and will support development of that system towards capture of relevant cost / benefit information.</p>	Lisa Lumbar, Chief Financial Officer	In Progress	Per discussion with the CFO, the risk management group is working with IT to develop procedures for monitoring data requests until such time that ticketing system improvements can be implemented. The enhancement opportunity is on track to be implemented by the original due date of 6/30/2021.	6/30/2021

# STATUS OF ALL OPEN RECOMMENDATIONS

## 2020 Marketing and Social Media Audit

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Contractor Use Guidelines:</b></p> <p>Management will develop a social media use guideline or policy for CFX contractor and subcontractor employees. Management will also incorporate an annual social media policy acknowledgement for all CFX employees. Finally, management will implement periodic social media continuing education for employees that work directly with social media platforms and tools.</p>	Michelle Maikisch, Chief of Staff/Public Affairs Officer	In Progress (Past Due)	Per discussion with the Chief of Staff/Public Affairs Officer, the communications team is working in conjunction with Human Resources and Procurement to develop a social media use policy for contractor and subcontractor employees. This recommendation is in progress and on target to be implemented by the revised due date of 6/30/2021.	Original: 1/31/2021  Revised: 6/30/2021
<p><b>Social Media Password Controls:</b></p> <p>Management will review the recommendation and work collaboratively to develop an approach that improves social media password and user access provisioning controls and aligns with CFX and social media capabilities.</p>	Michelle Maikisch, Chief of Staff/Public Affairs Officer  Jim Greer, Chief of Technology and Operations	Complete	Per discussion with the Chief of Staff/Public Affairs Officer and the Chief of Technology and Operations, CFX has completed a procedures manual to direct social media password security and user access provisioning. Internal Audit obtained the procedures as support for completion of the action plan by the prescribed due date.	1/31/2021
<p><b>User Access Review:</b></p> <p>Management will establish and document a periodic independent review of social media user access lists across all social media tools or platforms.</p>	Michelle Maikisch, Chief of Staff/Public Affairs Officer	Complete	Per discussion with the Chief of Staff/Public Affairs Officer, CFX has completed a procedures manual to direct independent, periodic user access reviews for all social media platforms. Internal Audit obtained the procedures as support for completion of the action plan by the prescribed due date.	12/31/2020

# STATUS OF ALL OPEN RECOMMENDATIONS

## 2020 Marketing and Social Media Audit (Continued)

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Social Media Procedures:</b></p> <p>Management will consider the recommended topics as an update to the Social Media Procedures Manual.</p>	Angela Melton, Manager of Communications and Marketing	In Progress	Per discussion with the Manager of Communications and Marketing, development of the procedures are underway. The recommendation is in progress and on target to be implemented by the prescribed due date of 6/30/2021.	6/30/2021

## 2020 P-Card and Gas Card Audit

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Gas Card Policy:</b></p> <p>Management will update the Procurement Policy to incorporate a Gas Card policy. Management will update the P-Card Manual to reflect current procedures as recommended and will develop Gas Card procedures to supplement the documentation set.</p>	Aneth Williams, Director of Procurement	Complete	Per discussion with the Director of Procurement, the Procurement Procedures Manual was updated to incorporate Gas Card procedures. Internal Audit obtained a copy of the documented Gas Card procedures as support for completion of the action plan by the prescribed due date.	12/31/2020
<p><b>Digital Approval Workflow:</b></p> <p>Procurement will work with the IT team to determine the best workflow option for each part of the recommendation (Adobe Sign, SharePoint, or others). Management will develop and implement the digital workflow(s) in accordance with the recommendation.</p>	Aneth Williams, Director of Procurement	In Progress - Contingent on Implementation of New ERP System	Per discussion with the CFO and Director of Procurement, implementation of a digital approval workflow will involve integration with CFX's new ERP system. As completion of this action plan is contingent upon implementation of the new ERP system in 2021, the revised due date reflects this contingency. This recommendation is expected to be completed by the revised due date.	Original: 12/31/2020  Revised: 12/31/2022

# STATUS OF ALL OPEN RECOMMENDATIONS

## 2020 P-Card and Gas Card Audit (Continued)

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Review Checklist:</b></p> <p>Management will develop a checklist for supervisors to be used during their monthly review of P-Card transactions. P-Card/Gas Card integrations and process improvements will be included in the ERP requirements during RFP development.</p>	Aneth Williams, Director of Procurement	Complete	Per discussion with the Director of Procurement, a checklist was implemented for supervisor use during monthly review of P-Card Transactions. Internal Audit obtained the checklist as support for completion of the action plan by the prescribed due date.	9/30/2020
<p><b>Vendor Reporting Capabilities:</b></p> <p>Management will review P-Card vendor reporting capabilities to extract transaction data. The Manager of Contract Compliance will implement a process to review transaction data and sample P-Card monthly statements for the quarterly audit. Procedures will be updated as the process is developed.</p>	Carrie Baker, Manager of Contract Compliance	In Progress (Past Due)	Per discussion with the Manager of Contract Compliance, CFX received P-Card transaction data from the vendor and is designing a periodic analytical review process. As this process is designed and implemented, procedures will be drafted to direct management review. This recommendation is in progress and expected to be completed by the revised due date of 6/30/2021.	Original: 10/31/2020  Revised: 6/30/2021

# STATUS OF ALL OPEN RECOMMENDATIONS

## 2020 Retail Transponder Sales Review

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Reporting Capabilities:</b></p> <p>CFX will organize a working group comprised of stakeholders involved in retail transponder sales and inventory management processes and IT to discuss fulfillment of key reporting needs through current CRM implementation.</p>	<p>Mike Carlisle, Director of Accounting and Finance</p>	<p>In Progress – Contingent on Implementation of CRM System</p>	<p>Per discussion with the Director of Accounting and Finance, stakeholders involved in retail transponder sales and inventory management processes have begun meeting to evaluate CRM capabilities. As completion of this action plan is contingent upon implementation of the new CRM system in 2022, the revised due date reflects this contingency. This recommendation is expected to be completed by the revised due date.</p>	<p>Original: 3/31/2021</p> <p>Revised: 12/31/2022</p>
<p><b>Inventory Documentation:</b></p> <p>Management will review all inventory management and transponder sales documentation (including retail sales) to ensure all procedures are adequately documented.</p>	<p>Mike Carlisle, Director of Accounting and Finance</p> <p>Angela Melton, Manager of Communications</p> <p>Fred Nieves, Manager of E-Pass and plaza Operations</p>	<p>Complete</p>	<p>Per discussion with Director of Accounting and Finance, Manager of Communications, and Manager of E-Pass and Plaza Operations, CFX completed documentation to direct inventory management and transponder sales procedures. Internal Audit obtained the finalized documentation as support for completion of the action plan by the prescribed due date.</p>	<p>12/31/2020</p>
<p><b>Spreadsheet Access Review:</b></p> <p>Management will perform a review of access to key operational spreadsheets by the established due date in either the system folders or SharePoint depending on the status of the SharePoint migration.</p>	<p>Fred Nieves, Manager of E-Pass and Plaza Operations</p>	<p>Complete</p>	<p>Per discussion with the Manager of E-Pass and Plaza Operations, a review of access to key operational spreadsheets was completed. Internal Audit obtained screenshots of updated permission levels for various users and domain groups within SharePoint as support for completion of the action plan by the revised due date.</p>	<p>Original: 8/31/2020</p> <p>Revised: 12/31/2020</p>



# STATUS OF ALL OPEN RECOMMENDATIONS

## 2020 Retail Transponder Sales Review (Continued)

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Realignment of Retail Functions:</b></p> <p>Management will consider realignment of the order fulfillment and shipping function for the retail program as recommended. As realignment is considered, management will also develop documentation requirements for each retail shipment that includes evidencing the reconciliation between the original order, the shipping manifest verified by physical count of transponders, and the invoice prepared by Finance.</p>	Lisa Lumbar, Chief Financial Officer	Complete	Per discussion with Director of Accounting and Finance, Manager of Communications, and Manager of E-Pass and Plaza Operations, CFX has completed documentation for inventory management and transponder sales procedures, including realignment of the order fulfillment process. Internal Audit obtained the finalized procedural documentation as support for completion of the action plan by the prescribed due date.	12/31/2020

# STATUS OF ALL OPEN RECOMMENDATIONS

## 2020 Public Records Review

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Smarsh Enrollment:</b></p> <p>Management will require enrollment of all CFX-issued devices into the Smarsh application (or similar software) and will develop a procedure to enroll all devices into Smarsh automatically when the device is configured and issued to the assigned user.</p> <p>Management will offer solutions to address “bring your own device” scenarios to ensure all business-related text messages are captured in accordance with statutory obligations</p> <p>Management will also ensure all existing devices are enrolled into the Smarsh application by the end of the calendar year.</p>	Rafael Millan, Director of Information Technology	Complete	Per discussion with the Director of Information Technology, the Cherwell ticketing system was updated to ensure that CFX devices are enrolled into the Smarsh application upon issuance. A dual-SIM card option was also implemented to offer a “bring your own device” solution to users who do not have a CFX-issued device. Further, management has ensured that all existing devices are enrolled into the Smarsh Application. Internal Audit obtained documentation evidencing that all CFX-issued devices are enrolled in Smarsh as support for completion of the action plan by the prescribed due date.	12/31/2020
<p><b>Public Records Destruction:</b></p> <p>Management will develop and document a road map to achieve a future-state process that includes systematic and periodic disposal of electronic and hardcopy records in accordance with policy and statutory obligations. The road map will help document dependencies, challenges, resource needs, management decision points, etc.</p>	Tim O’Toole, Director of Records Management	In Progress	Per discussion with the Director of Records Management, a road map was developed and documented as prescribed; however, discussions are currently underway to draft supplemental policies and procedures to direct future-state processes. This recommendation is in progress and on target to be completed by the original due date.	6/30/2021

# STATUS OF ALL OPEN RECOMMENDATIONS

## 2020 Public Records Review (Continued)

Management Action Plan	Responsible Party	Status	Summary of Status	Due Date
<p><b>Offsite Public Records Destruction:</b></p> <p>Management will coordinate with Access Records Storage to amend the contract terms to better align the information disclosed on the Certificates of Destruction with what is required to comply with Florida Public Records Law.</p>	<p>Tim O'Toole, Director of Records Management</p>	<p>In Progress (Past Due)</p>	<p>Per discussion with the Director of Records Management, an addendum to the contract terms was drafted and provided to Access Records Storage. The addendum is being reviewed by the vendor's legal department and is on target to be finalized by the revised due date of 6/30/2021.</p>	<p>Original: 12/31/2020</p> <p>Revised: 6/30/2021</p>

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