

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

AGENDA
AUDIT COMMITTEE MEETING
January 25, 2023
10:00 a.m.

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

A. CALL TO ORDER

B. PUBLIC COMMENT

Pursuant to Section 286.0114, Florida Statutes and CFX Rule 1-1.011, the Audit Committee provides for an opportunity for public comment at the beginning of each regular meeting. The Public may address the Committee on any matter of public interest under the Committee's authority and jurisdiction, regardless of whether the matter is on the Committee's agenda but excluding pending procurement issues. Public Comment speakers that are present and have submitted their completed Public Comment form to the Recording Secretary at least 5 minutes prior to the scheduled start of the meeting will be called to speak. Each speaker shall be limited to 3 minutes. Any member of the public may also submit written comments which, if received during regular business hours at least 48 hours in advance of the meeting, will be included as part of the record and distributed to the Committee members in advance of the meeting.

C. APPROVAL OF OCTOBER 26, 2022 AUDIT COMMITTEE MEETING MINUTES (action item)

D. AGENDA ITEMS

1. **STATUS UPDATE: FISCAL 2023 INTERNAL AUDIT PLAN** – *Jeff Tecau, Managing Director, Protiviti (info item)*
2. **REVIEW AND ACCEPTANCE OF PROCUREMENT AND CONTRACT BILLING AUDIT** – *Graham Wigle, Manager, Protiviti (action item)*
3. **REVIEW AND ACCEPTANCE OF MAINTENANCE AUDIT** – *Graham Wigle, Manager, Protiviti (action item)*
4. **REVIEW AND ACCEPTANCE OF PAYMENT CARD INDUSTRY (PCI) ASSESSMENT WITH REPORT ON COMPLIANCE** – *David Taylor, Managing Director, Protiviti (action item)*
5. **REVIEW AND ACCEPTANCE OF DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES (DHSMV) DATA SECURITY ASSESSMENT** – *David Taylor, Managing Director, Protiviti (action item)*
6. **REVIEW AND ACCEPTANCE OF DRIVER AND VEHICLE INFORMATION DATABASE (DAVID) DATA SECURITY ASSESSMENT** – *Chris Porter, Associate Director, Protiviti (action item)*

(CONTINUED ON PAGE 2)

7. **INTERNAL AUDITOR SELECTION** – *Lisa Lumbard, Chief Financial Officer* (info item)
8. **INTERNAL AUDIT BUDGET FOR FISCAL YEAR 2024** – *Lisa Lumbard, Chief Financial Officer* (action item)
9. **ANNUAL DISCUSSION OF THE COMMITTEE’S RESPONSIBILITIES AS OUTLINED IN THE AUDIT COMMITTEE CHARTER AND RECOMMENDATIONS, AS NEEDED** – *Diego “Woody” Rodriguez, General Counsel* (info item)

E. OTHER BUSINESS

F. ADJOURNMENT

This meeting is open to the public.

Section 286.0105, Florida Statutes states that if a person decides to appeal any decision made by a board, agency, or commission with respect to any matter considered at a meeting or hearing, they will need a record of the proceedings, and that, for such purpose, they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

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 (3) business days prior to the event.

In accordance with the Americans with Disabilities Act (ADA), if any person with a disability as defined by the ADA needs special accommodations to participate in this proceeding, then they should contact the Central Florida Expressway Authority at (407) 690-5000 no later than two (2) business days prior to the proceeding.

Please note that participants attending meetings held at the CFX Headquarters Building may be subject to certain limitations and restrictions in order to adhere to the CDC guidelines and to ensure the safety and welfare of the public.

C.

**APPROVAL OF
OCTOBER 26, 2022
AUDIT COMMITTEE
MEETING MINUTES**

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

DRAFT MINUTES
CENTRAL FLORIDA EXPRESSWAY AUTHORITY
AUDIT COMMITTEE MEETING
October 26, 2022

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

Committee Members Present:

Ray Walls, Orange County Representative, Chairman
Lorie Bailey Brown, Seminole County Representative
Jamie Rowland, Osceola County Representative
Michelle McCrimmon, City of Orlando Representative
Kristy Mullane, Lake County Representative

Committee Members Not Present:

Kathy Wall, Brevard County Representative
Megan Zee, Citizen Representative

Staff Also Present:

Lisa Lumbard, Chief Financial Officer
Diego "Woody" Rodriguez, General Counsel
Rita Moore, Recording Secretary/Executive Administrative Coordinator
Michael Carlisle, Director of Accounting and Finance
Aneth Williams, Director of Procurement

A. CALL TO ORDER

The meeting was called to order at approximately 10:00 a.m. by Chairman Walls.

B. PUBLIC COMMENT

There was no public comment.

C. APPROVAL OF THE JUNE 22, 2022 MINUTES

A motion was made by Ms. Bailey Brown and seconded by Ms. Mullane to approve the June 22, 2022 minutes as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote. Ms. Wall and Ms. Zee were not present.

D. AGENDA ITEMS

1. REVIEW AND ACCEPTANCE OF EXTERNAL AUDIT OF FISCAL 2022 FINANCIAL STATEMENTS AND REQUIRED COMMUNICATIONS

Mr. Joel Knopp of MSL CPAs and Advisors presented the External Audit of Fiscal 2022 Financial Statements and Required Communications.

Committee members asked questions which were answered by Mr. Knopp and Ms. Lisa Lumbard, Chief Financial Officer.

A motion was made by Ms. McCrimmon and seconded by Ms. Bailey Brown to accept the External Audit of Fiscal 2022 Financial Statements and Required Communications. The motion carried unanimously with five (5) members present voting AYE by voice vote. Ms. Wall and Ms. Zee were not present.

2. STATUS UPDATE: FISCAL 2023 INTERNAL AUDIT PLAN

Mr. Jeff Tecau of Protiviti presented the Status Update: Fiscal 2023 Internal Audit Plan.

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

3. REVIEW AND ACCEPTANCE OF 2023 INTERNAL AUDIT CHARTER

Mr. Jeff Tecau of Protiviti presented the Review and Acceptance of 2023 Internal Audit Charter.

A motion was made by Ms. Bailey Brown and seconded by Ms. Mullane to accept the 2023 Internal Audit Charter as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote. Ms. Wall and Ms. Zee were not present.

4. 2023 PRIOR AUDIT RECOMMENDATIONS: SEMI-ANNUAL FOLLOW-UP

Mr. Jeff Tecau of Protiviti presented the 2023 Prior Audit Recommendations: Semi-Annual Follow-Up.

Committee members asked questions which were answered by Mr. Tecau and Ms. Lumbard.

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

5. **2023 PROCUREMENT AND CONTRACT BILLING AUDITS – CONTRACT SELECTION**

Mr. Graham Wigle of Protiviti presented the 2023 Procurement and Contract Billing Audits- Contract Selection.

Committee members asked questions which were answered by Ms. Lumbard.

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

6. **REVIEW AND ACCEPTANCE OF FISCAL 2022 RIGHT OF WAY AUDIT**

Mr. Graham Wigle of Protiviti presented the Fiscal 2022 Right of Way Audit.

Committee members asked questions which were answered by Mr. Wigle, Mr. Tecau, and Mr. Diego “Woody” Rodriguez, General Counsel.

A motion was made by Ms. McCrimmon and seconded by Ms. Bailey Brown to accept the Fiscal 2022 Right of Way Audit as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote. Ms. Wall and Ms. Zee were not present.

7. **REVIEW AND ACCEPTANCE OF FISCAL 2022 SECURE CODE REVIEW**

Mr. David Taylor of Protiviti presented the Fiscal 2022 Secure Code Review.

Committee members asked questions which were answered by Mr. Taylor and Mr. Porter.

A motion was made by Ms. McCrimmon and seconded by Ms. Bailey Brown to accept the Fiscal 2022 Secure Code Review as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote. Ms. Wall and Ms. Zee were not present.

8. **REVIEW AND ACCEPTANCE OF FISCAL 2022 MICROSOFT CLOUD SECURITY ASSESSMENT**

Mr. Chris Porter of Protiviti presented the Fiscal 2022 Microsoft Cloud Security Assessment.

Committee members asked questions which were answered by Mr. Porter.

A motion was made by Ms. Mullane and seconded by Ms. Rowland to accept the Fiscal 2022 Microsoft Cloud Security Assessment as presented. The motion carried unanimously with five (5) members present voting AYE by voice vote. Ms. Wall and Ms. Zee were not present.

E. **OTHER BUSINESS**

Chairman Walls announced the next Audit Committee meeting is scheduled for January 25th, 2023 at 10 a.m.

F. **ADJOURNMENT**

Chairman Walls adjourned the meeting at approximately 10:58 a.m.

Minutes approved on _____, 2023.

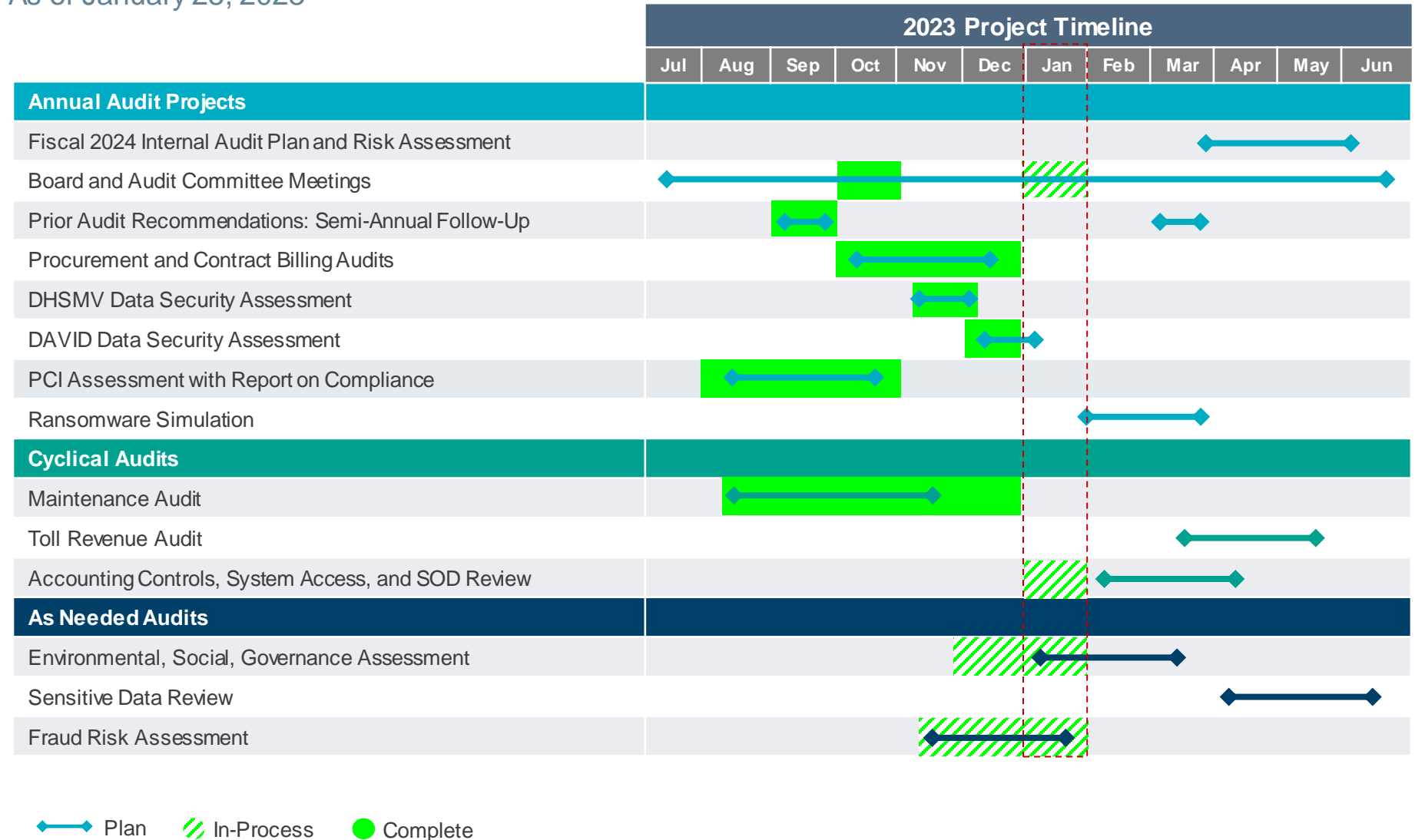
Pursuant to the Florida Public Records Law and CFX Records Management Policy, audio tapes of all Board and applicable Committee meetings are maintained and available upon request to the Records Management Liaison Officer at publicrecords@CFXway.com or 4974 ORL Tower Road, Orlando, FL 32807.

D.1

STATUS UPDATE: FISCAL 2023 INTERNAL AUDIT PLAN

INTERNAL AUDIT STATUS

As of January 25, 2023



D.2

REVIEW AND ACCEPTANCE OF PROCUREMENT AND CONTRACT BILLING AUDITS



PROCUREMENT AND CONTRACT BILLING AUDIT

December 2022

**CENTRAL
FLORIDA
EXPRESSWAY
AUTHORITY**

TABLE OF CONTENTS

Section	Page
Executive Summary	3

EXECUTIVE SUMMARY

Overview / Objectives / Scope and Approach

Overview

In accordance with the FY2023 Internal Audit Plan, Internal Audit selected three Central Florida Expressway Authority (“CFX”) contracts for audit from a population of currently active engineering, service, maintenance, operations, and construction projects with a contract value in excess of \$2.63 billion. The combined contract value of these three contracts exceeded \$181.2 million (\$66.7 million in current expenditures). The last contract billing audit was completed during December 2021 and included different contracts and different vendors.

Objectives

The objectives of this audit were to (1) audit the accuracy of items billed to CFX in accordance with contract terms and conditions, and (2) identify and test key processes and controls related to contract procurement, contract administration, project and cost management, and supplemental agreement management.

Project Scope and Approach

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

Phase I – Contract Analysis and Selection

To select contracts for audit, Internal Audit obtained a listing of all active contracts and identified a short-list of contracts for audit after interviewing management and performing a risk analysis based on contract size, duration, terms and conditions, and nature of the work. The following contracts were selected for review and approved by the Audit Committee Chair prior to audit:

- 1. SACYR S.A. (# 001764)** – Contract for the widening of SR 417 from Landstar Boulevard to Boggy Creek Road; Project 417-149) This contract began in July 2021. SACYR S.A. is a Spanish infrastructure operator and developer company. Contracts #001764 and #001773 are the first contracts between SACYR and CFX. They have a combined contract total of \$170,155,905 and expenditures of \$56,689,456. The two contracts were selected because they represent significant spend with a vendor CFX has not previously used. The two contracts are invoiced together and were tested as one selection when performing testing on payments.
- 2. SACYR S.A. (# 001773)** – Contract for the widening of SR 417 from Narcoossee Road to SR 528; Project 417-150. This project began in August 2021.
- 3. Parsons Transportation Group Inc. (#001395)** – Contract for Design Consultant Services for the widening of SR 429 from Florida's Turnpike to West Road; Project: 429-152. This project began in January 2019. This contract was selected for its significant spend and for the increased risk of posed by multiple supplemental agreements. The contract work has incurred over \$10M in expenditures and is now more than 90% complete.

Continued on the following page...

EXECUTIVE SUMMARY

Overview / Objectives / Scope and Approach

Phase II – Processes and Controls Review

Internal Audit performed procedures to review CFX's processes, policies, and procedures related to procurement, contract administration, project and cost management, and supplemental agreement management. Key internal controls within each of these areas were identified and tested for each contract selected in Phase I. A summary of the procedures performed, results, and observations are provided on the following pages. Additional details on the procedures performed are included in Appendix A.

During September 2022, Internal Audit completed a review of open recommendations issued as part of prior Procurement and Contract Audit reports in past years. As of the time of this audit, there were no audit recommendations that remained open from prior year Procurement and Contract Billing Audit reports. The process and internal control changes that were made based on prior audit reports were incorporated into the FY2023 Procurement and Contract Billing Audit scope for review so that Internal Audit could verify that prior year findings were fully resolved and not prevalent in the contracts selected for testing during the current year.

Phase III – Contract-Specific Audit Procedures

Internal Audit performed detailed audit procedures to review contract terms, costs billed to CFX, and other key attributes for each contract selected for audit. The contracts selected, contract value, spend to date, sample tested, and percentage of spend tested are outlined below:

Contract	Contract Value	Spend to Date [1]	Sample Tested [2]	% Spend Tested
SACYR S.A. (#001764 and #001773)	\$170,155,905.00	\$64,346,725.19	\$44,791,247.36	69.61%
Parsons Transportation Group Inc. (#001395)	\$11,044,181.35	\$10,362,343.61	\$6,566,787.75	63.37%

[1] As of November 7, 2022

[2] Invoices were selected for testing using judgmental sampling. A detailed report of all invoices paid to date was obtained for each contract and analyzed on a month-over-month basis to select samples for testing. The invoices selected were tested for compliance with contract terms and conditions.

Phase IV – Reporting and Deliverables

Internal Audit prepared this report for management review and issuance to the CFX Audit Committee.

Face the Future with Confidence

protiviti®

D.3

REVIEW AND ACCEPTANCE OF MAINTENANCE AUDIT



MAINTENANCE AUDIT

September 2022

**CENTRAL
FLORIDA
EXPRESSWAY
AUTHORITY**

TABLE OF CONTENTS

Section	Page
Executive Summary	3

EXECUTIVE SUMMARY



Overview and Objectives

In accordance with the FY 2023 Internal Audit Plan, Internal Audit conducted a Maintenance Audit to (1) review how CFX's current maintenance policies encompass federal and state standards, (2) review how CFX manages compliance with its current maintenance policies and procedures, including the internal controls in place over third-party maintenance vendors, and (3) review how CFX measures the impact of its wrong-way driving detection program strategy, including use of available data to help measure the impact.

Maintenance of Roads, Bridges, and Signs

CFX is responsible for the maintenance of 125 centerline miles of roadway, 361 bridge structures, and 671 overhead signs. Maintenance and inspection practices support the functioning and safety of the roadway system and compliance with federal and state regulations. CFX staff coordinate with multiple third-party vendors to perform daily maintenance and inspection activities.

Wrong Way Driving Detection Program (WWD)

In addition to performing daily maintenance activities, CFX pioneered an innovative Wrong-Way Driving Detection Program intended to detect instances of wrong-way driving on CFX roadways, increase the rate of turnaround for wrong-way drivers, and decrease the occurrence of wrong-way driving. In 2012, CFX partnered with the University of Central Florida to understand the extent of wrong-way driving and subsequently installed the first phase of detection device and supporting infrastructure. The existing Wrong-Way Driving Detection system is comprised of devices which detect wrong way driving and signs equipped with flashing beacons to alert drivers. Devices also route alerts to the Regional Traffic Management Center, a facility managed by the Florida Department of Transportation which monitors traffic on select Central Florida roads and coordinates responses to incidents and crashes with law enforcement and first responders. Wrong-way driving countermeasures are currently installed and functioning at approximately 55 off ramps, roughly half of the CFX system.



Scope and Approach

The scope of the audit included a review of CFX policies and procedures to maintain Roadways, Signs and Bridges in addition to a review of the impact of the Wrong-Way Driving Program. Specific to maintenance policies and procedures for Roadways and Bridges, the components of these asset classes on CFX's system that were in scope for this audit consisted of the following:

Roadways

- Roadways/Pavement
- Roadside
- Traffic Services
 - Lighting
 - Guardrails
 - Barrier walls

Bridges

- Substructure
- Superstructure
- Deck

EXECUTIVE SUMMARY



Scope and Approach (continued)

To execute this audit, Internal Audit performed the following procedures around the areas in scope:

Maintenance

1. Reviewed how CFX incorporates the following federal and FDOT standards in its maintenance and inspection policies:
 - a. Federal Statutes, Title 23. Highways, Section 106(c). Assumption by States of Responsibilities of the Secretary,
 - b. Federal Highway Administration 23 Code of Federal Regulations (CFR) Part 650, Subpart C, Section 650.307 Bridge Inspection Organization,
 - c. Federal Statutes, Title 23. Highways, Section 116. Maintenance,
 - d. Florida Statutes, Title 26. Public Transportation, Chapter 334.048,
 - e. Florida Statutes, Title 26. Public Transportation, Chapter 335.074 Safety Inspection of Bridges,
 - f. FDOT Bridges and Other Structures Inspection and Reporting Procedures (Topic No.: 850-010-030-k),
 - g. FDOT Maintenance Rating Program Procedures (Topic No.: 850-065-002-j), and
 - h. Federal Statutes, Title 23. Highways, Section 129, subsection 3a & 3b;
2. Reviewed how CFX manages compliance with internally developed maintenance and inspection policies through the following:
 - a. Reviewed key controls surrounding asset tracking, inspection schedules and reporting, repairs and replacements, and incident response management;
 - b. Verified inspections, repairs, and replacements were documented as performed and were reported within applicable deadlines; and
 - c. Reviewed CFX's vendor management processes and controls for a selection of significant maintenance and inspection-related vendors for bridges, signs, and roadway maintenance. Contracts reviewed included the following:

Vendor	Service
Ayres and Associates	Overhead Sign Inspection Services
Kisinger Campo and Associates	Bridge Inspection Services
Jorgensen Contract Services, LLC ("JCS")	Roadway and Bridge Maintenance Services; S.R. 408, S.R. 417, S.R. 528, and Goldenrod Road Extension
Louis Berger Hawthorne Services, Inc.	Roadway and Bridge Maintenance Services - S.R. 429, S.R. 453, S.R. 414 and SR 451

EXECUTIVE SUMMARY



Scope and Approach (continued)

Wrong Way Driving Detection Program

3. Reviewed how CFX measures the impact of its Wrong-Way Driving Detection Program, including the use of available data to help measure the impact of the program through the following:

- a. Reviewed how CFX manages compliance with the WWD program preventative maintenance plan, and
- b. Reviewed how management captures and uses data for WWD trends as provided by third-party reporting.
- c. Reviewed processes and key controls surrounding inspection and repair of WWD technology assets. Contracts reviewed included the following:

Vendor	Service
TapCo	WWD System and Device Inspection and Maintenance

A review of the adequacy of the maintenance policies and procedures being performed by CFX to help ensure customer safety was NOT in scope for this audit.

Face the Future with Confidence

© 2022 Protiviti Inc. All Rights Reserved. This document has been prepared for use by CFXs management, audit committee, and board of directors. This report provides information about the condition of risks and internal controls at one point in time. Future events and changes may significantly and adversely impact these risks and controls in ways that this report did not and cannot anticipate.

protiviti®

D.4

REVIEW AND ACCEPTANCE OF PCI ASSESSMENT WITH REPORT ON COMPLIANCE

Central Florida Expressway Authority

Payment Card Industry (PCI) Assessment

Summary

January 2023

PCI Data Security Standard

The assessment focused on over 400 controls within the following twelve domains of the PCI Data Security Standard

<i>Build and Maintain a Secure Network</i>	<ol style="list-style-type: none">1. Install and maintain a firewall configuration to protect cardholder data2. Do not use vendor-supplied defaults for system passwords and other security parameters
<i>Protect Cardholder Data</i>	<ol style="list-style-type: none">3. Protect stored cardholder data4. Encrypt transmission of cardholder data across open, public networks
<i>Maintain a Vulnerability Management Program</i>	<ol style="list-style-type: none">5. Use and regularly update anti-virus software or programs6. Develop and maintain secure systems and applications
<i>Implement Strong Access Control Measures</i>	<ol style="list-style-type: none">7. Restrict access to cardholder data by business need to know8. Assign a unique ID to each person with computer access9. Restrict physical access to cardholder data
<i>Regularly Monitor and Test Networks</i>	<ol style="list-style-type: none">10. Track and monitor all access to network resources and cardholder data11. Regularly test security systems and processes
<i>Maintain an Information Security Policy</i>	<ol style="list-style-type: none">12. Maintain a policy that addresses information security for all personnel

Summary of the Assessment

- Protiviti team performed onsite and remote fieldwork between July 11, 2022 through December 15, 2022.
- Fieldwork was conducted through a variety of methods including documentation review, interviews, technical analysis, and physical investigation.
- Notable changes to the PCI environment in FY23:
 - Card reader devices are now present in 14 plazas, reload lanes and toll lanes.
- No gaps were identified during fieldwork.
- All CFX individuals involved were extremely helpful and well attuned to the importance of the assessment.





protiviti®
Global Business Consulting

D.5

REVIEW AND ACCEPTANCE OF DHSMV DATA SECURITY ASSESSMENT

DHSMV Data Security Assessment

Central Florida Expressway Authority

December 2022

Table of Contents

Executive Summary	1
Overview	1
Scope and Approach	2
Summary of Results	3

FY2023 DHSMV Data Security Assessment

Executive Summary

Overview

During the period of November 8th, 2022, to December 16th, 2022, Internal Audit performed a Data Security Assessment of the Department of Highway Safety and Motor Vehicles (“DHSMV”) data within the Central Florida Expressway Authority (“CFX”) environment. The objectives of the assessment were to review internal controls for gaps in design related to the requirements set forth in *Section V – Safeguarding Information*, of the DHSMV Drivers License or Motor Vehicle Record Data Exchange Memorandum of Understanding (“MOU”) related to .

The summarized objectives of Section V are:

- Information exchanged will not be used for any purposes not specifically authorized by this agreement. Unauthorized use includes, but is not limited to, queries not related to a legitimate business purpose, personal use, and the dissemination, sharing, copying or passing of this information to unauthorized persons.
- Information obtained from the Providing Agency will be stored in a location that is physically and logically secure from access by unauthorized persons.
- The Requesting Party shall develop security requirements and standards consistent with Section 282.318, Florida Statutes, Florida Administrative Code Rule 60GG-2 (Formerly 74-2, FAC), and the Providing Agency's security policies; and employ adequate security measures to protect Providing Agency's information, applications, Data, resources, and services. The applicable Providing Agency security policies are set forth in Attachment III.
- Access to the information received from the Providing Agency will be protected in such a way that unauthorized persons cannot view, retrieve, or print the information.
- All personnel with access to the information exchanged under the terms of this MOU will be instructed of, and acknowledge their understand of, the confidential nature of the information. These acknowledgments must be maintained in a current status by the Requesting Party and provided to the Providing Agency within ten (10) business days of a request.
- All personnel with access to the information will be instructed of and acknowledge their understanding of the civil and criminal sanctions specified in state and Federal law for unauthorized use of the data. These acknowledgments must be maintained in a current status by the Requesting Party and provided to the Providing Agency within ten (10) business days of a request.

FY2023 DHSMV Data Security Assessment

- All access to the information must be monitored on an ongoing basis by the Requesting Party. IN addition, the Requesting Party must complete an Annual Certification Statement to ensure proper and authorized use and dissemination of information and provide it to the Providing Agency pursuant to Section VI, B, below
- All data received from the Providing Agency shall be encrypted during transmission to Third Party End Users using Transport Layer Security (TLS) version 1.2 or higher encryption protocols. Alternate encryption protocols are acceptable on upon prior written approval by the Providing Agency.

Scope and Approach

Internal Audit conducted an assessment of the process used for safeguarding DHSMV data in the CFX environment. CFX Management approved the scope of work and believed it to be sufficient to meet the requirements of the MOU. In order to complete this review, IA reviewed these in scope systems as determined by CFX Management:

- TRIMS - Toll Revenue Integrated Management System - CFX application used to store and query customer data, some of which is DHSMV related
- Oracle Database - Database supporting the TRIMS application
- Host/HT250 - Server supporting the Oracle/TRIMS database
- FTP Gateway - FTP server used to place encrypted data for DHSMV to retrieve it
- DOCPRD2 - Server used to encrypt and store DHSMV data before being placed on the FTP gateway for retrieval
- RPTPRD4 (Infoview Crystal Reports Server) - Server used for reporting functionality, some of which could include DHSMV data

IA then performed the following procedures for the in scope systems:

- Reviewed policies and procedures related to the safeguarding of electronic and physical data transfers, data storage, and data access.
- Conducted interviews with key personnel to understand the *Drivers License or Motor Vehicle Record Data Exchange* process.
- Performed testing procedures as outlined in the 60GG-2, F.A.C. (formerly fs. 74-2), which include specific test steps for each Function (Please see Appendix A for a full description of 60GG-2 and test results):

FY2023 DHSMV Data Security Assessment

- Identify
 - Protect
 - Detect
 - Respond
 - Recover
- Where 60-GG did not include specific requirements related to the MOU, additional testing of controls was performed. See Appendix B for specific procedures and results:
 - After testing was completed, analysis was performed to compare the results of testing to the control objectives outlined in the MOU.

Summary of Results

As of the date of this report, no observations were noted related to CFX's Drivers License or Motor Vehicle Data Exchange process.

D.6

REVIEW AND ACCEPTANCE OF DAVID DATA SECURITY ASSESSMENT

DAVID Data Security Assessment

Central Florida Expressway Authority

December 2022

FY2023 DAVID Data Security Assessment

Table of Contents

Executive Summary	1
Overview	1
Scope and Approach	2
Summary of Results	2

FY2023 DAVID Data Security Assessment

Executive Summary

Overview

During the period of November 8th, 2022, to December 16th, 2022, Internal Audit performed a Data Security Assessment of the Driver and Vehicle Information Database systems (“DAVID”) data within the Central Florida Expressway Authority (“CFX”) environment. The objectives of the assessment were to review internal controls for gaps in design related to the requirements set forth in *Section V – Safeguarding Information*, of the DHSMV Driver and Vehicle Information Database Data Exchange Memorandum of Understanding (“MOU”).

The summarized objectives of *Section V* are:

- Information exchanged will not be used for any purposes not specifically authorized by the MOU. Unauthorized use includes, but is not limited to, queries not related to a legitimate business purpose, personal use, and the dissemination, sharing, copying or passing of this information to unauthorized persons.
- The Requesting Party shall not indemnify and shall not be liable to the Providing Agency for any driver license or motor vehicle information lost, damaged, or destroyed as a result of the electronic exchange of data pursuant to the MOU, except as otherwise provided in Section 768.28, Florida Statutes.
- Any and all DAVID-related information provided to the Requesting Party (CFX) as a result of the MOU, particularly data from the DAVID system, will be stored in a place physically secure from access by unauthorized persons.
- The Requesting Party shall comply with Rule 74-2, Florida Administrative Code, and with Providing Agency’s security policies, and employ adequate security measures to protect Providing Agency’s information, applications, data, resources, and services. The applicable Providing Agency’s security policies shall be made available to Requesting Party.
- When printed information from DAVID is no longer needed, it shall be destroyed by cross-cut shredding or incineration.
- The Requesting Party (CFX) shall maintain a list of all persons authorized within the agency to access DAVID information, which must be provided to the providing agency upon request.
- Access to DAVID-related information, particularly data from the DAVID System, will be protected in such a way that unauthorized persons cannot view, retrieve, or print the information.
- Under the MOU agreement, access to DAVID shall be provided to users who are direct employees of the Requesting Party (CFX) and shall not be provided to any non-employee or contractors of the Requesting Party (CFX).

FY2023 DAVID Data Security Assessment

Scope and Approach

Internal Audit conducted an assessment of the process used for safeguarding DAVID data in the CFX environment. CFX Management approved the scope of work and believed it to be sufficient to meet the requirements of the MOU. In order to complete this review, the following procedures were performed:

- Conducted interviews with key personnel to understand the *Drivers and Vehicle Information Database System Data Exchange* process.
- Reviewed policies and procedures related to the safeguarding of electronic and physical data transfers, data storage, and data access.
- Performed testing procedures as outlined in the 60GG-2, F.A.C. (formerly fs. 74-2), which include specific test steps for each Function (Please see Appendix A for a full description of 60GG-2 and test results):
 - Identify
 - Protect
 - Detect
 - Respond
 - Recover
- After testing was completed, analysis was performed to compare the results of testing to the control objectives outlined in the MOU.

Summary of Results

As of the date of this report, no observations were noted related to CFX's DAVID access processes.

D.7

**INTERNAL
AUDIT
SELECTION**

**THERE ARE
NO BACKUP
MATERIALS FOR
THIS ITEM**

D.8

INTERNAL AUDIT BUDGET FOR FISCAL YEAR 2024

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

<i>Account Number</i>	<i>2022 Actuals</i>	<i>2023 Budget</i>	<i>2023 YTD Actuals</i>	<i>2023 Annualized</i>	<i>2023 Yr. End Est</i>	<i>2024 Preliminary Bud</i>
05 Toll Collection						
130 Administration						
690 Internal Audit						
53410 Contract Personnel	497,407.49	564,000.00	153,815.75	384,539.38	0.00	0.00
Total Internal Audit	497,407.49	564,000.00	153,815.75	384,539.38	0.00	0.00
Total Toll Collection	497,407.49	564,000.00	153,815.75	384,539.38	0.00	0.00
Grand Total	497,407.49	564,000.00	153,815.75	384,539.38	0.00	0.00

D.9

**ANNUAL DISCUSSION
OF THE COMMITTEE'S
RESPONSIBILITIES
AS OUTLINED IN THE
AUDIT COMMITTEE
CHARTER AND
RECOMMENDATIONS,
AS NEEDED**

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

CENTRAL FLORIDA EXPRESSWAY AUTHORITY BOARD AUDIT COMMITTEE CHARTER

TABLE OF CONTENTS

I. PURPOSE	2
II. ORGANIZATION	2
III. CHAIRMAN SELECTION	3
IV. SUPPORT STAFF	3
V. MEETINGS	3
VI. QUORUM	4
VII. RESPONSIBILITIES	4
A. Financial Reporting Oversight.....	4
B. Internal Control and Risk Assessment.....	4
C. Compliance.....	5
D. Code of Ethics.....	5
E. Internal Audit.....	5
F. External Audit	5
G. Other Authority and Responsibilities	5

CENTRAL FLORIDA EXPRESSWAY AUTHORITY BOARD AUDIT COMMITTEE CHARTER

I. PURPOSE

The Audit Committee's primary function is to assist the CFX 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 CFX 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 CFX Board.

II. 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; and
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.

III. CHAIRMAN SELECTION

The Audit Committee will be chaired on an annual, rotating basis beginning September 1, 2017, in the following order:

- a.) Seminole County Representative
- b.) Osceola County Representative
- c.) One of the Citizen Representatives
- d.) Lake County Representative
- e.) City of Orlando Representative
- f.) Brevard County Representative
- g.) Orange County Representative

The Audit Committee Chair shall serve as the Board Liaison and may be requested to attend CFX Board meetings.

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.

IV. 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 CFX procurement policy and budget.

V. MEETINGS

The Audit Committee shall meet at least quarterly. Meetings may be called by the CFX 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. Committee recommendations shall be submitted to the Board for approval. Final committee meeting minutes shall be submitted to the Board for information.

VI. 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. In the event of continued absenteeism the Audit Committee Chairman may recommend alternate appointments to the Board.

VII. RESPONSIBILITIES

A. 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; and
 - All matters required to be communicated to the Committee under generally accepted auditing standards.
2. Review with Management, the CFX's financial performance on a regular basis.

B. 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.

C. 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.

D. Code of Ethics

7. Review with Management and monitor adequacy, administration, and compliance with the CFX'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.

E. 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.

F. External Audit

16. Appoint Audit Committee Members to serve on the Selection Committee for all external audit services.
17. Recommend to the CFX 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.

G. Other Authority and Responsibilities

21. Conduct other activities as requested by the CFX 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 responsibilities as outlined in this Charter and make recommendations, as needed.
25. Confirm annually that all responsibilities outlined in this Charter have been carried out.