



# RETAIL TRANSPONDER SALES REVIEW

May 2020

**CENTRAL  
FLORIDA  
EXPRESSWAY  
AUTHORITY**

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# EXECUTIVE SUMMARY



## Project Overview, Scope, and Approach

### Overview

In accordance with the fiscal year 2020 Internal Audit Plan, Internal Audit reviewed the policies and procedures surrounding Central Florida Expressway Authority (“CFX”) marketing of E-PASS transponders through various sales channels and the related management of transponder physical inventory. This audit had not been performed previously for CFX.

As part of its strategy to increase the number of E-PASS customers, CFX operates a retail transponder program whereby E-PASS transponders are marketed and distributed through university bookstores throughout Florida and via consignment through Amazon. CFX currently sells branded CollegePass sticker transponders to the bookstores and consigns E-PASS portable transponders with Amazon.

Details on the retail transponder program are below. Data is through May 31, 2020, was obtained from CFX, and is for informational purposes only:

CollegePass Brand	Retail Program Launch	Retail Transponder Sales (Launch – May 31, 2020)
GatorPass	August 2017	344
NolePass	August 2017	250
KnightPass	November 2017	350

Amazon Program Launch	Transponders Consigned to Amazon (Launch – May 31, 2020)	Amazon Transponder Sales (Launch – May 31, 2020)
August 2018	2,370	2,100

### Project Scope and Approach

The objectives of this audit were to (1) identify key processes and internal controls around retail transponder sales and inventory management, (2) review key controls for design effectiveness, (3) perform limited procedures to evaluate selected transactions for operating effectiveness, and (4) propose recommendations, enhancements, and clarifications to strengthen CFX policies and internal controls. Details of the procedures performed, results, and observations are provided in the body of this report.

# EXECUTIVE SUMMARY



## Summary of Audit Procedures Performed and Results

The areas reviewed, audit observations, and relative priority are outlined below:

Process	Key Areas Reviewed	Total Controls Tested	Number of Observations	Observation Reference	Relative Priority
Process Governance	Policies and procedures, system capabilities and reporting	1	2	1, 2	1 – High 2 – Moderate
Inventory Management	Order management, receiving, recording, physical counts, reconciliations	5	1	3	3 – Low
Retail Sales & Distribution	Contract terms and approvals, order fulfillment, transponder and account analytics	4	1	4	4 – Low
Accounting & Finance Processes	Purchase order approval, invoice processing, financial reporting	2	-	-	-
TOTALS:		12	4	-	-

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