

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

AGENDA AUDIT COMMITTEE MEETING July 11, 2024 2:00 p.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 APRIL 25, 2024 AUDIT COMMITTEE MEETING MINUTES (action item)

D. AGENDA ITEMS

1. **STATUS UPDATE: FISCAL 2024 INTERNAL AUDIT PLAN** – *Jeff Tecau, Managing Director, Protiviti* (info item)
2. **REVIEW AND ACCEPTANCE OF MICROSOFT CLOUD SECURITY ASSESSMENT**– *David Taylor, Managing Director, Protiviti* (action item)
3. **REVIEW AND ACCEPTANCE OF FISCAL 2025 INTERNAL AUDIT PLAN AND RISK ASSESSMENT** – *Jeff Tecau, Managing Director, Protiviti* (action item)
4. **ANNUAL MANAGEMENT REVIEW OF INTERNAL CONTROL MATTERS** – (info items)
 - a. Effectiveness of the Internal Control System, Including IT Security and Control – *Lisa Lumbard, Chief Financial Officer*
 - b. Process for Assessing, Monitoring and Controlling Significant Risks – *Lisa Lumbard, Chief Financial Officer*
 - c. System for Monitoring Compliance with Laws and Regulations and Results of Investigation of Any Instances of Non-Compliance – *Angela J. Wallace, General Counsel*
 - d. Adequacy, Administration and Compliance with CFX's Code of Ethics – *Angela J. Wallace, General Counsel*
 - e. Procedures for "Hotline" Reporting – *Angela J. Wallace, General Counsel*

(CONTINUED ON NEXT PAGE)

5. ANNUAL AUDIT COMMITTEE REVIEWS – (info items)

- a. Annual discussion regarding Internal Auditor performance and effectiveness – *Lorie Bailey Brown, Audit Committee Chair*
- b. Confirmation of completion of responsibilities in the Audit Committee Charter – *Jeff Tecau, Managing Director, Protiviti*

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 Malaya.Bryan@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.

C.

**APPROVAL OF
APRIL 25, 2024
AUDIT COMMITTEE
MEETING MINUTES**

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

MINUTES CENTRAL FLORIDA EXPRESSWAY AUTHORITY AUDIT COMMITTEE MEETING April 25, 2024

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

Committee Members Present:

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

Committee Members Not Present:

Katherine "Kathy" Wall, Brevard County Representative
Ray Walls, Orange County Representative

Staff Present:

Michelle Maikisch, Executive Director
Lisa Lumbard, Chief Financial Officer
Angela J. Wallace, General Counsel
Mimi Lamaute, Recording Secretary/ Manager of Executive and Board Services

A. CALL TO ORDER

The meeting was called to order at approximately 2:03 p.m. by Chairman Bailey Brown.

B. PUBLIC COMMENT

There was no public comment.

C. APPROVAL OF THE JANUARY 31, 2024 MINUTES

A motion was made by Ms. McCrimmon and seconded by Ms. Mullane to approve the January 31, 2024 minutes as presented. The motion carried unanimously with all four (4) committee members present voting AYE by voice vote. Ms. Wall and Mr. Walls were not present.

Ms. Lisa Lumbard, Chief Financial Officer, introduced CFX's General Counsel, Angela Wallace.

D. AGENDA ITEMS

1. STATUS UPDATE: FISCAL 2024 INTERNAL AUDIT PLAN

Mr. Jeff Tecau with Protiviti provided a status update on the Fiscal 2024 Internal Audit Plan.

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

2. 2024 PRIOR AUDIT RECOMMENDATIONS: SEMI-ANNUAL FOLLOW-UP

Mr. Landon Willey with Protiviti provided an update on the 2024 Prior Audit Recommendations: Semi-Annual Follow-Up.

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

3. REVIEW AND ACCEPTANCE OF CUSTOMER SERVICE CENTER PERFORMANCE ASSESSMENT

Mr. Landon Willey with Protiviti detailed the findings and recommendations of the Customer Service Center Performance Assessment.

The Committee members commented and asked questions, which were answered by Mr. Willey, Mr. Tecau, Ms. Lumbard, Ms. Maikisch and Mr. John Rushing with Contact Scope.

A motion was made by Ms. Mullane and seconded by Ms. McCrimmon to accept the Customer Service Center Performance Assessment as presented. The motion carried unanimously with all four (4) committee members present voting AYE by voice vote. Ms. Wall and Mr. Walls were not present.

4. REVIEW AND ACCEPTANCE OF POLICY AND PROCEDURE REVIEW

Mr. Landon Willey with Protiviti detailed the findings and observations of the Policy and Procedure Review.

The Committee members asked questions, which were answered by Mr. Willey, Ms. Lumbard and Ms. Maikisch.

A motion was made by Ms. McCrimmon and seconded by Ms. Rowland to accept the Policy and Procedure Review as presented. The motion carried unanimously with all four (4) committee members present voting AYE by voice vote. Ms. Wall and Mr. Walls were not present.

5. REVIEW AND ACCEPTANCE OF PCI 4.0 GAP ASSESSMENT

Mr. David Taylor with Protiviti presented the PCI 4.0 Gap assessment and detailed the findings.

A motion was made by Ms. Mullane and seconded by Ms. McCrimmon to accept the PCI 4.0 Gap Assessment as presented. The motion carried unanimously with all four (4) committee members present voting AYE by voice vote. Ms. Wall and Mr. Walls were not present.

6. REVIEW AND ACCEPTANCE OF IT TABLETOP EXERCISE

Mr. Chris Porter with Protiviti described and presented the findings of the IT Tabletop Exercise.

A motion was made by Ms. Rowland and seconded by Ms. Mullane to accept the IT Tabletop Exercise as presented. The motion carried unanimously with all four (4) committee members present voting AYE by voice vote. Ms. Wall and Mr. Walls were not present.

7. REVIEW AND ACCEPTANCE OF DHSMV DATA SECURITY ASSESSMENT

Mr. Joel Knopp and Mr. Faisal Shafiullah with MSL CPAs described and presented the findings of the DHSMV Data Security Assessment (Memorandum of Understanding Compliance Assessment).

A motion was made by Ms. Mullane and seconded by Ms. Rowland to accept the DHSMV Data Security Assessment as presented. The motion carried unanimously with all four (4) committee members present voting AYE by voice vote. Ms. Wall and Mr. Walls were not present.

8. ANNUAL DISCUSSION OF THE COMMITTEE'S RESPONSIBILITIES AS OUTLINED IN THE AUDIT COMMITTEE CHARTER

Ms. Lisa Lumbar, Chief Financial Officer outlined the present Audit Committee Charter and highlighted past amendments. She also stated that next year, Protiviti will conduct a governance audit with the CFX Charters being part of the focus.

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

E. OTHER BUSINESS

Ms. Lisa Lumbar, Chief Financial Officer informed the Committee that Ms. Lamaute will be distributing a poll to ascertain their availability for rescheduling the upcoming June 27th committee meeting. Ms. Lumbar mentioned the week of July 8th.

F. ADJOURNMENT

Chairman Bailey Brown adjourned the meeting at approximately 3:30 p.m.

Minutes approved on _____, 2024.

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:

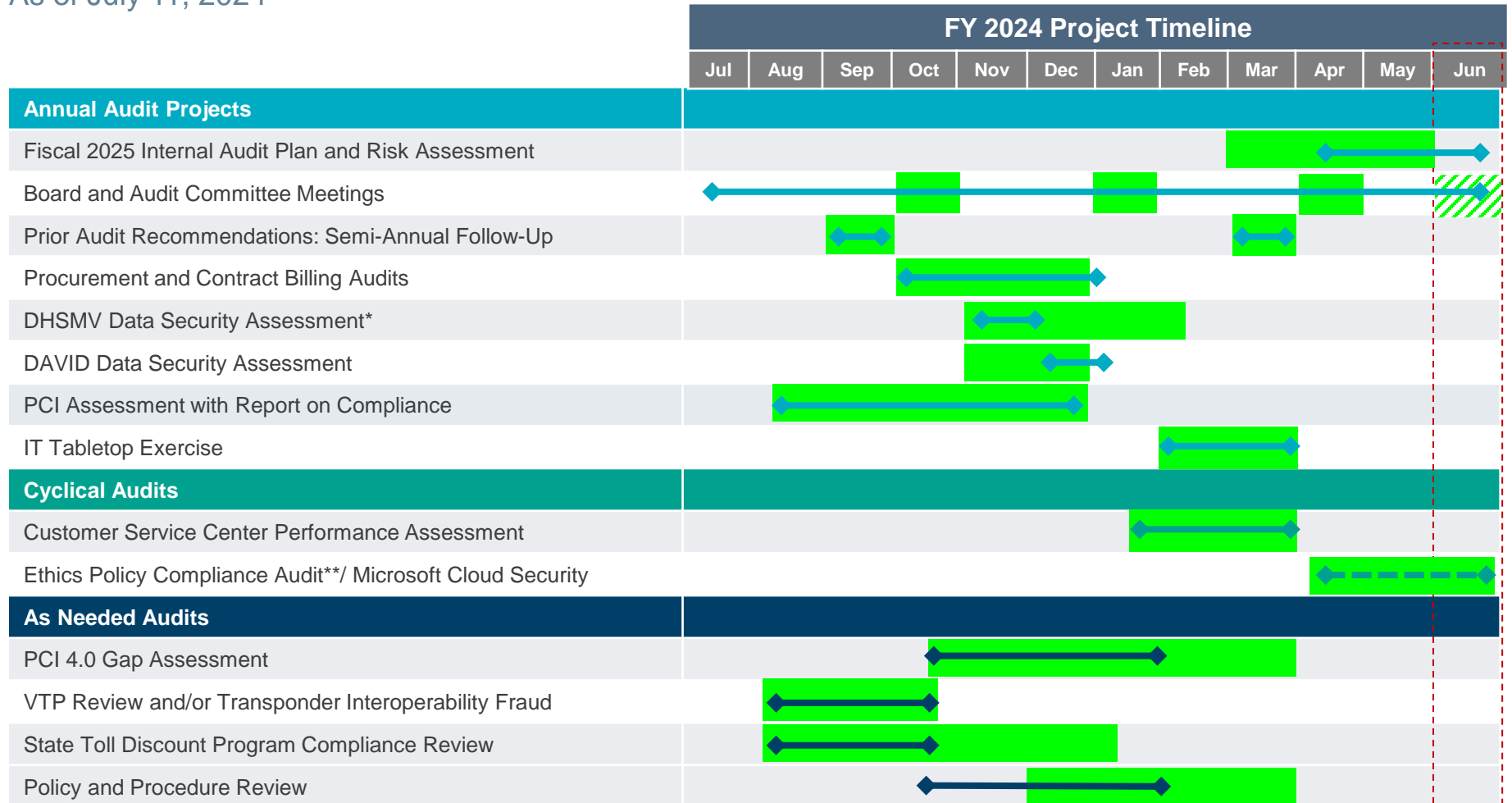
FISCAL 2024

INTERNAL

AUDIT PLAN

INTERNAL AUDIT TIMELINE

As of July 11, 2024



* DHSMV Assessment completed by MSL (external auditor) leveraging Protiviti PCI and DAVID reports

** Ethics Policy Compliance was deferred during transition of General Counsel in 2024 and replaced in 2024 with a Microsoft Cloud Security Assessment

Plan Revised Plan Complete In-Process

D.2.

REVIEW AND ACCEPTANCE OF MICROSOFT CLOUD SECURITY ASSESSMENT



MICROSOFT CLOUD SECURITY REVIEW

June 2024

**CENTRAL
FLORIDA
EXPRESSWAY
AUTHORITY**

EXECUTIVE SUMMARY

Overview / Objectives / Scope and Approach

Overview

In accordance with the Central Florida Expressway Authority (“CFX”) 2024 Audit Plan, Internal Audit (“IA”) performed an assessment of CFX’s Microsoft cloud computing architecture, and included evaluating the strategy, capabilities, operations, and processes against leading practices. Internal Audit also reviewed CFX’s strategy in determining what data is stored in the cloud as well the controls utilized to maintain its integrity and availability.

Objectives

The objectives of this audit were to (1) assess CFX’s Microsoft Cloud computing architecture, including Microsoft 365, Azure, and the Customer Relationship Management (“CRM” or “CE”) Application that runs within Microsoft Dynamics 365 application, and (2) evaluate the strategy used in determining what data is stored in the cloud.

Project Scope and Approach

This audit was performed using a three-phased approach as outlined below, by leveraging Microsoft 365 / Azure security best practices along with Center for Internet Security (“CIS”) benchmarks to assess CFX’s cloud usage:

1. **Microsoft 365** – Evaluated authentication and authorization procedures (i.e. Multifactor authentication, Sign-in frequency is limited, etc.), as well as Exchange Online security controls (i.e. phishing, malicious attachments, spam filtering, and Data Loss Prevention).
2. **Microsoft Azure** – Evaluated authentication and authorization procedures (i.e. password reset notification, conditional access policies, Azure role-based access control, etc.), as well as how Azure activity logs being monitored through Sentinel or another SIEM tool.
3. **CRM Application Design and Management** – Evaluated the CRM Architecture and Design documentation against best practices and approved design requirements, reviewed currently deployed infrastructure against approved architecture and design documentation, and evaluated capabilities for detecting desired state infrastructure configurations and supporting processes.

Results

Three observations were identified during this review. There were related to:

1. Security Framework Compliance
2. Administrative Privileges
3. Multi-Factor Authentication

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D.3.
REVIEW AND
ACCEPTANCE
OF FISCAL 2025
INTERNAL
AUDIT PLAN
AND RISK
ASSESSMENT

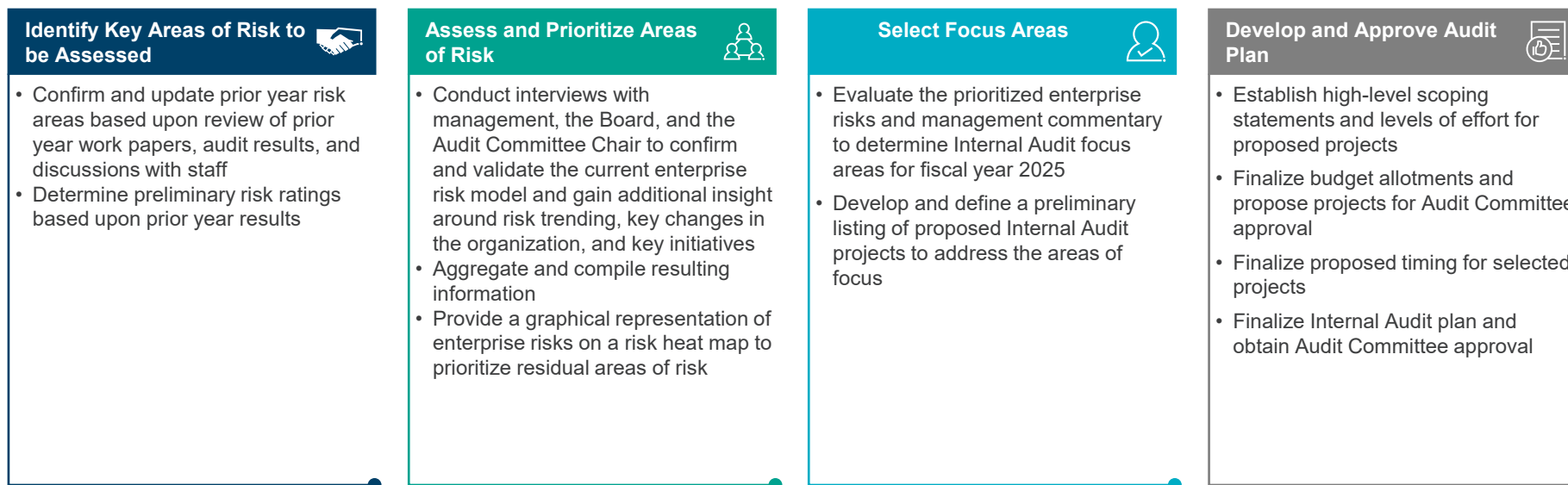
CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Internal Audit Plan

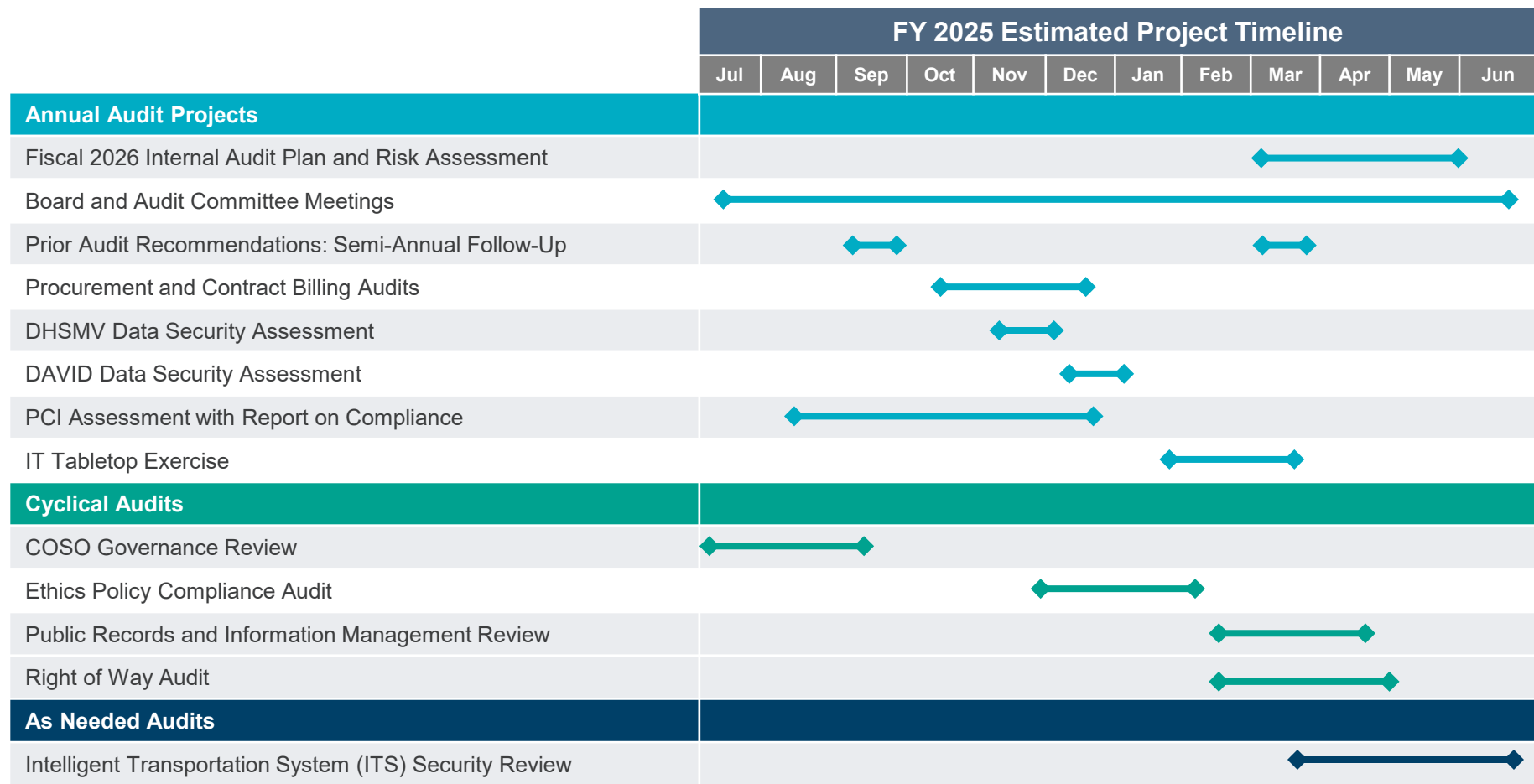
For the Fiscal Year Ending June 30, 2025

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 2025 risk assessment is to identify and prioritize key areas of risk within CFX to consider in designing the fiscal 2025 Internal Audit plan. The approach to conduct the fiscal 2025 risk assessment and develop the fiscal 2025 Internal Audit plan is depicted below.



INTERNAL AUDIT TIMELINE



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D.4.

ANNUAL MANAGEMENT REVIEW OF INTERNAL CONTROL MATTERS

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

D.5.
ANNUAL AUDIT
COMMITTEE
REVIEWS

Central Florida Expressway
Audit Committee Charter Responsibilities Matrix - Fiscal Year 2024
For the Audit Committee as of July 11, 2024

Financial Reporting Oversight

Review with Management and the External Auditors:

Number	Responsibility	Completion Date
1a	The annual financial statement and related footnotes	Oct-23
1b	The external auditors' audit of the financial statements and their report	Oct-23
1c	Managements' representations and responsibilities for the financial statements	Oct-23
1d	Any significant changes required in the audit plan	Oct-23
1e	Information from the external auditors regarding their independence	Oct-23
1f	Any difficulties or disputes with Management encountered during the audit	Oct-23
1g	The organization's accounting principles	Oct-23
1h	All matters required to be communicated to the Committee under generally accepted auditing standards	Oct-23
2	Review with Management, the CFX's financial performance on a regular basis	Oct-23

Internal Control and Risk Assessment

3	Review with Management the effectiveness of the internal control system, including information technology security and control	Jul-24
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	Jul-24

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 2023. Internal Auditors - various
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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	Jul-24
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Code of Ethics

7	Review with Management and monitor adequacy, administration, and, compliance with the CFX's Code of Ethics	Jul-24
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	Jul-24

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	Jul-24
11	Review the internal audit budget and submit to the Finance Committee	Jan-24
12	Review and approve the Internal Audit Department Charter	Jul-24
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	Jul-24
15	Review annually the effectiveness of the internal audit function	Jul-24

External Audit

16	Appoint an Audit Committee Member to serve on the Selection Committee for all external audit services	As Needed
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17	Recommend to the CFX Board the external auditors to be appointed and the related compensation	As Needed
18	Review and approve the discharge of the external auditors	As Needed
19	Review the scope and approach of the annual audit with the external auditors	Oct-23
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 CFX 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 responsibilities as outlined in this Charter and make recommendations, as needed.	Apr-24
25	Confirm annually that all responsibilities outlined in this Charter have been carried out	Jul-24

Audit Committee Composition and Chairman Selection

26	The Audit Committee shall be composed of six voting members from Orange County, the City of Orlando, Lake County, Osceola County, Seminole County, and Brevard County and up to three (3) citizen representatives with appointment terms of 2 years.	As Needed
27	The Audit Committee will be chaired on an annual, rotating basis beginning on September 1, 2017 in the following order: Seminole County Representative Osceola County Representative One of the Citizen Representatives Lake County Representative City of Orlando Representative Brevard County Representative - 2021/22 Orange County Representative - 2022/23 Seminole County Representative - 2023/24 Osceola County Representative - 2024/25	Oct-23