ILLINOIS STATE TOLL HIGHWAY AUTHORITY

Minutes of the

Finance & Audit Committee Meeting

Meeting Date
June 18
2026

Record of Meeting | June 18, 2026

The Illinois State Toll Highway Authority ("Tollway") held the regularly scheduled Finance & Audit Committee meeting on Thursday, June 18, 2026, in the Boardroom of Tollway headquarters in Downers Grove, Illinois. The meeting was held pursuant to the By-Laws of the Tollway upon call and notice of the meeting executed by Chairman Arnaldo Rivera and posted in accordance with the requirements of the Open Meetings Act, 5 ILCS 120/1, *et seq.*

[Bolded entries indicate issues which may require follow-up to present or report to Directors.]

Call to Order / Roll Call

Chairman Rivera called the meeting to order at approximately 8:46 a.m. He then asked the Board Secretary to call the roll, those Directors present and absent being as follows:

Committee Members Present:
Director James Connolly
Director Scott Paddock
Chairman Arnie Rivera

Other Directors in Attendance:
Director Melissa Neddermeyer
Director James Sweeney
Director Mark Wright

Committee Members Not Present:
Director Jackie Gomez
Director Manish Mehta

The Board Secretary declared a quorum present.

Public Comment

Chairman Rivera opened the floor for public comment. No public comment was offered.

Committee Chair's Items

Chairman Rivera entertained a motion to approve **Committee Chair's Item 1**, the minutes of the regular Finance & Audit Committee meeting held on May 21, 2026. Director Connolly made a motion to approve the minutes, seconded by Director Paddock. The motion PASSED unanimously by voice vote.

Having no further items, Chairman Rivera called on Executive Director Cassaundra Rouse.

Executive Director

Executive Director Rouse introduced Chief Strategy & Implementation Officer Eric Wunderlich to present the Enterprise Risk Management Program Update. See attached presentation.

Upon conclusion of the presentation and discussion, Chairman Rivera thanked Mr. Wunderlich.

Adjournment

There being no further Committee business, Chairman Rivera entertained a motion to adjourn. Director Connolly made a motion to adjourn, seconded by Director Paddock. The motion PASSED unanimously by voice vote.

The meeting was adjourned at approximately 8:55 a.m.

Minutes taken by: Christi Regnery

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority

ENTERPRISE RISK MANAGEMENT

Program Update

Eric Wunderlich, Chief Strategy and Implementation Officer

June 18, 2026

Illinois Tollway

ENTERPRISE RISK MANAGEMENT PROGRAM

A Structured, Mature, Enterprise Approach

Our ERM program has continued to evolve into a more structured, enterprise-wide capability integrated with strategy and assurance, and embedded within the agency's culture. As a result, ERM has strengthened governance and transparency and fostered greater trust in how the organization identifies and manages uncertainty.

Established a **comprehensive, systematic, and consistent approach** to identifying, assessing, and addressing potential risks

Enhanced **engagement across departments** and strengthened a more collaborative, **risk-aware culture** through a coordinated and structured Steering Committee meetings

Maintained strong **executive leadership involvement** to ensure ERM is grounded in **strategic priorities and operational realities**, driving more reliable risk insights and improved accountability

Advanced **mitigation strategies** and integrated quantitative and qualitative risk insights to **enhance monitoring activities**

ENTERPRISE RISK MANAGEMENT PROGRAM

Process Overview

IDENTIFY → PRIORITIZE → EVALUATE → RESPOND → MONITOR AND REPORT

RESILIENCE • SYNERGY • STRATEGY • OBJECTIVE SETTING • DECISION MAKING • TRUST • PERFORMANCE

Identify current and emerging risk to organization's performance objectives	Assess and **prioritize** top risks for the agency based on potential impact and likelihood of occurrence	**Evaluate** the effectiveness of current risk mitigation activities and decide potential mitigation improvements	Validate and adjust **risk response** strategies to further mitigate or accept risk	Continuously **monitor** risk landscape and strategies to minimize risk escalation **Report** to Steering Committee with risk insights and recommendations, enabling more informed decision-making

ENTERPRISE RISK MANAGEMENT PROGRAM

Program Governance

The ERM Steering Committee's mission is to create a **practical and sustainable process** to assist with **identifying, assessing, and managing risks** across the agency. Serving as the backbone of the ERM program, it provides a structured platform to:

- Regularly identify and analyze **top risks** facing the agency
- Determine **risk response strategies** and assign **risk ownership**
- Evaluate the **effectiveness** of risk responses and mitigation activities
- Monitor risk profiles and **identify emerging issues**
- Foster **collaboration** to ensure an enterprise-wide view of risks

With representation from key departments, the Steering Committee enables a **broader perspective on the risk landscape**, ensuring that risk management decisions align with strategic priorities.

ENTERPRISE RISK MANAGEMENT PROGRAM

Integrated Risk and Strategy

ERM and strategic planning are not separate activities that occasionally intersect, they are **deliberately and actively coordinated**. The two-way relationship strengthens decision-making, performance monitoring, and organizational accountability.

The agency's **Mission, Vision, and Goals** help sharpen ERM focus and risk prioritization

ERM helps leadership understand factors that could influence **strategic execution** and anticipate challenges that could affect **long-term goals**

ENTERPRISE RISK MANAGEMENT PROGRAM

Coordinated Assurance and Stronger Governance

ERM and Internal Audit have a **structured, collaborative but independent relationship** that is focused on strengthening assurance across the organization.

ERM supports Internal Audit by identifying **areas where review or validation** may add value

Insights from Internal Audit highlight **control gaps and emerging issues**, helping ERM refine risk response strategies and improve mitigation efforts

ERM insights can be used to help **inform the risk based internal audit plan**, ensuring internal audit efforts align with agency priorities and governance needs

Audit findings and trend analyses highlight **cross-cutting issues** that support ERM in identifying emerging risks and validating agency-wide risk themes

ENTERPRISE RISK MANAGEMENT PROGRAM

Program Priorities and Next Steps

Leverage the growing use of **standardized tools and templates** to further institutionalize ERM practices

Continue maturing a risk aware culture through **expanded education, communication, and collaboration**

Advance monitoring and reporting capabilities by expanding the use of **risk metrics and leading indicators** that support timely, proactive risk intelligence

"Enterprise risk management is not a function or department. It is the **culture, capabilities, and practices** that organizations integrate with strategy-setting and apply when they carry out that strategy, with a **purpose of managing risk in creating, preserving, and realizing value.**"

- Committee of Sponsoring Organizations of the Treadway Commission (COSO)

THANK YOU