



INTERNAL AUDIT UPDATE

Shaun Farmer – Chief Internal Auditor

OPEN ROAD TOLLING 163RD DECEMBER 18, 2025



PRESENTATION AGENDA

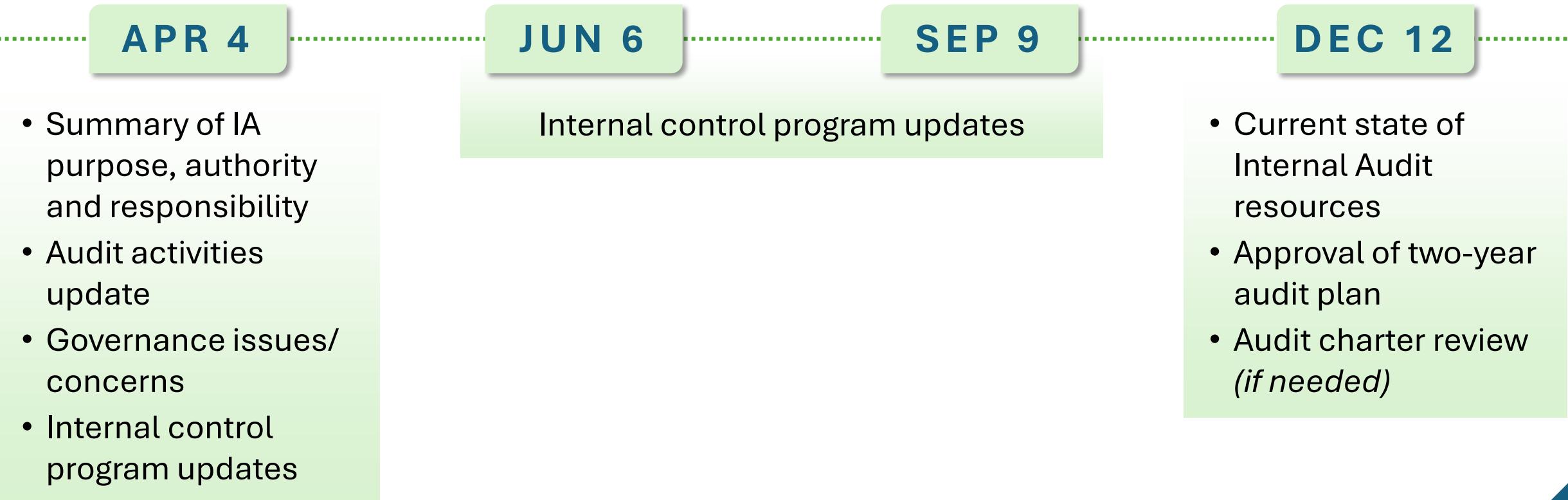


- 1 Key Board Updates
- 2 Internal Audit Charter
- 3 Internal Audit Resources
- 4 Audit Plan Considerations
- 5 Internal Audit Plan
- 6 Audit Department Highlights

2026 KEY UPDATES



Tentative Agenda Items



INTERNAL AUDIT CHARTER

Internal Audit confirms that there are no significant facts or matters that impacted or impaired our independence or scope of work as auditors.

Purpose

Responsibilities

Independence

Accountability and Authority

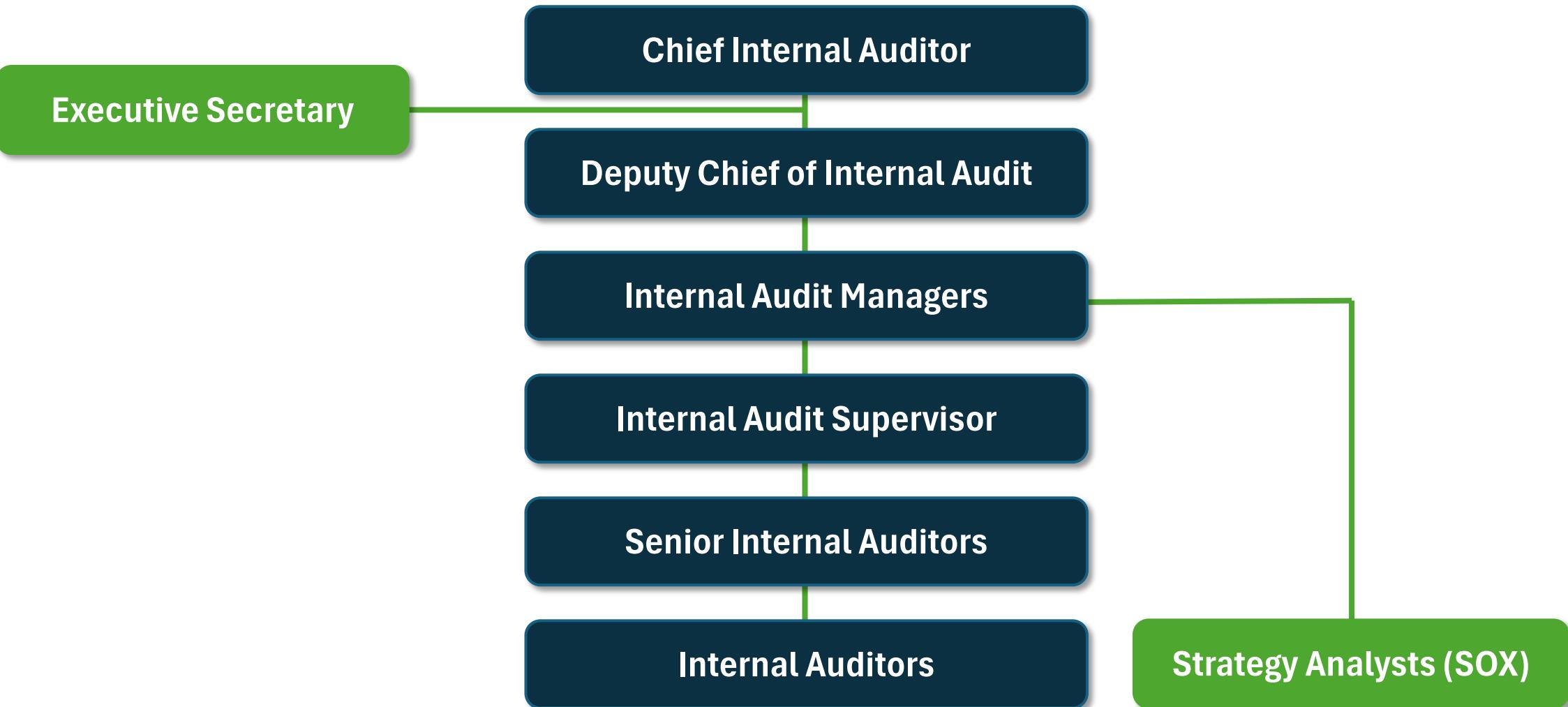
Scope of Work

Reporting Process

Periodic Assessments



DEPARTMENT ORGANIZATION





ANNUAL ONGOING RISK-BASED EXERCISE

- 1 Determine possible areas of concern
- 2 Identify potential risk areas for consideration in annual audit plan
- 3 Examine resources/skillset across internal audit staff

KEY FACTORS

- Potential for impact on agency policies and procedures
- Changes in systems, processes, policies or procedures
- Results and time since last audit engagement
- Extent of government regulation
- Information and communication
- Transaction volume
- Staffing levels

CYCLE AUDIT SCHEDULE

2026

- › **Revenues and Receivables**
- › **Property, Equipment and Inventories**
- › **Budget, Accounting and Reporting**
- › **Electronic Data Processing**
- › **Administrative Support Services**
- › **Petty Cash** (*If Disbursements Exceed \$5,000*) **OR**

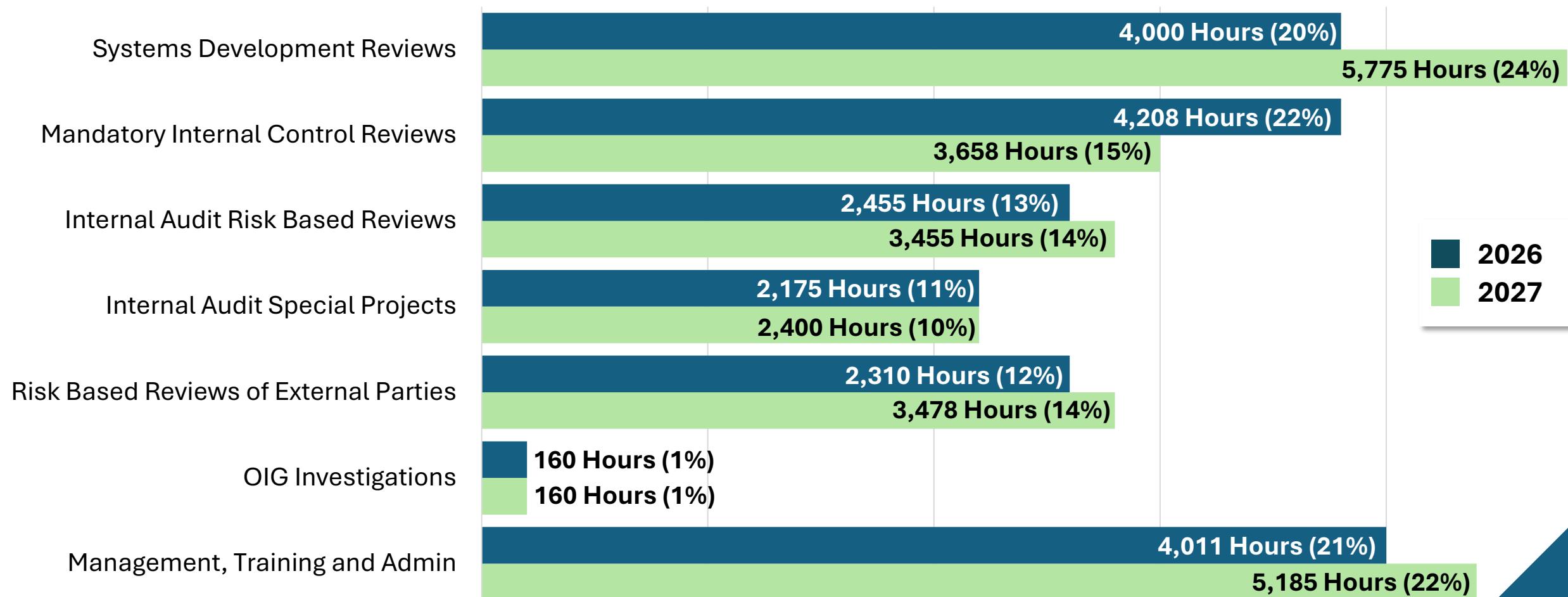
2027

- › **Grant Administration** (*If Tollway Receives Any Grants*)
- › **Personnel and Payroll**
- › **Purchasing, Contracting and Leasing**
- › **Organization and Management**
- › **Expenditure Control**

2026/2027 INTERNAL AUDIT PLAN



Allocation of Available Hours





2025 AUDIT ACTIVITY HIGHLIGHTS



- Completed all required cycle audits
- Timely submittal of annual Internal Control Certification Letter (Auditor General)
- Annual September 30 letter to executive management
- Performed reviews of Finance, Facilities, Engineering, IT, vendors and key risk areas
- Partnered with business units on various strategic initiatives
- Updated internal policies, procedures and other relevant documents
- Rolled out Internal Audit Roadshow presentation
- Represented Tollway as audit and risk industry leader at multiple events
- Continued support of the Tollway's Enterprise Risk Management (ERM), SOX and third-party risk management programs



2025 AUDIT ACTIVITY HIGHLIGHTS



- Continued efforts on prevailing wage compliance
- Support of Tollway's annual PCI review
- Actively managed open audit findings; partnered with business for closure
- Assisted with liaison activities for the 2024 annual external audit
- Partnered with multiple state agencies for their adoption of industry best practices
- Enhanced training opportunities and skills
- Employee recognized by industry for outstanding leadership
- Multiple employees involved in the community and outreach efforts



THANK YOU

