

Minutes of the Meeting of the MNAA & MPC Audit & Compliance Committees



Date: July 10, 2019 Place: Nashville International Airport Board Room
Nashville, Tennessee

Time: 9:40 a.m.

Committee Members Present: Nancy Sullivan, Chair; John Doerge, Vice Chair; Jimmy Granbery; and Christy Smith

Committee Members Absent: None

Others Present: Amanda Farnsworth; A. Dexter Samuels; Doug Kreulen; Cindy Barnett; and Angela Edwards

I. Call to Order

Chair Sullivan called the meeting of the MNAA Audit Committee to order at 9:50 a.m. pursuant to Public Notice dated July 5, 2019.

II. Approval of Minutes

Chair Sullivan called for a motion to approve the minutes of the March 13, 2019 Audit Committee Meeting. A motion was made by Vice Chair Doerge and seconded by Commissioner Granbery. The motion carried by vote of 4 to 0.

III. Chair's Report

Chair Sullivan stated there was no Chair's Report.

IV. Items for Approval

None

V. Information Items

A. Audit Update

Ms. Lisa Lankford, AVP, Special Assistant to the President, briefed the Committee on this item. Ms. Lankford reported there had been thirteen internal audits conducted in FY19, ten are completed and

three are in process. The three audits in process include ABM Shuttle Services, Network Vulnerability Assessment and Interim IAB. The audit findings are going well. There are only 109 remaining open audit findings. Several months ago, there were over three hundred. Staff has made significant progress getting the open audit findings closed and developing solid corrective action plans. MNAA is now requiring preventive actions on the closures.

There are thirty-eight open findings in finance. The majority of those will be closed in the next week or two with the approval of the new travel policy. There are thirty-three open findings in information technology. Those will be closed within the next one to two months with the PCI Compliance.

Ms. Lankford reported on the PCI Timeline. PCI Compliance is scheduled for September 30, 2019 with the Report on Compliance to be delivered on October 31, 2019. MNAA is currently in penetration testing and finalizing policies which are 90+% final. In August, Compliance Point will be back to conduct the final assessment.

This item was presented for information purposes only with no action required.

B. Proposed FY20 Internal Audit Plan

Ms. Lisa Lankford briefed the Committee on this item. She presented a slide showing the proposed FY20 Internal Audit Plan. Internal Audit reviews risk, past audit performance, and high areas of spend when establishing the Audit Plan. The FY20 Internal Audit Plan has a heavy emphasis on operational and expense areas such as ABM Shuttle Services, Parking and JBT Technologies which is baggage handling. One of the new areas added this year was the Affirmative Action Plan. In prior years, Human Resources conducted a self-assessment of its compliance with the Affirmative Action Plan. That has now been moved to Audit.

This item was presented for information purposes only with no action required.

C. Fraud Update

Ms. Lankford stated there was one red flag reporting this quarter for misallocation of time. An investigation was conducted and determined there was no fraud. The investigation reinforced the need for the time keeping system. The timeclocks were implemented on June 22, 2019. It was also

determined there were some challenges with the camera system. IT, DPS and Operations have developed a plan to address the camera issues.

Vice Chair Doerge inquired as to how the timeclock has been received by the employees. Ms. Lankford stated some employees were not happy about it but for the most part, it has gone smoothly. She reported there was very thorough training conducted with the employees.

President Kreulen stated this matter was a write up last year or so for potential fraud. People were writing in whatever they wanted on the timecards. He stated the time keeping system is to prevent fraud and is improving how fast payroll can be processed. Ms. Lankford stated it is helping supervisors determine if there are any attendance issues and tardiness issues. With the timeclock implementation, the attendance policy was also updated.

This item was presented for information purposes only with no action required.

D. Public Safety Update

Mr. David Griswold, Chief of Police, AVP, Public Safety updated the Committee on this item. He presented a slide showing a new dashboard the Airport Communications Center (ACC) will be using. It is called the Common Operation Picture (COP). It will also be on display in the Emergency Operations Center when it is operational. Chief Griswold complimented Adam Floyd, David Gibbs and Dakota Anderson for doing a great job on creating this. The purpose of COP is to help the lead technician improve on tracking items that are relevant to day to day operations of the airport such as weather, traffic and baggage handling issues. The lead technician will also be responsible for maintaining the content on the COP. The ACC COP will be a single display of information shared by the ACC to senior and executive staff. The COP will facilitate collaborative planning and combined execution, and assists all levels of the organization to achieve situational awareness. The benefits include improved operational effectiveness, efficiency, optimize resource management, quicker decision making, emergency response capabilities, and consistent and accurate data available due to systems integration in to one platform.

Social media will also be tracked for things such as complaints about wait times, disturbances in the terminal, the temperature of the terminal, baggage claim complaints, and all other things that might negatively affect the customer experience. This will increase passenger satisfaction.

There is a wealth of information available on the COP such as procedures for emergencies, weather information, passenger projections, active runways, medical events, traffic events and TSA events.

Commissioner Granbery inquired as to who will have access to the dashboard. Chief Griswold replied all ACC staff will have access. Senior and executive staff will be able to access it on a mobile device. Commissioner Granbery inquired if there was a version that passengers might be able to view to see the dashboard without compromising security. Chief Griswold stated that would be up to the CEO and COO as to what is made public.

President Kreulen stated Shannon Sumrall, AVP Customer Experience and Marketing, would be looking at how to give access to a dashboard to the public. Currently the public information for parking and wait times for security are posted on the Authority's website. As part of the new website design, there will also be a new mobile app. Ms. Sumrall will give an update on website redesign at the August Board meeting.

Chair Sullivan inquired as to technology to drop a drone that enters the airspace. Chief Griswold replied the technology is not advanced and does not work most of the time. President Kreulen stated Mr. Ramsey has some people looking into it. This was a big topic at the Commissioners Conference in San Francisco back in May. President Kreulen stated he also attended a meeting with fellow CEOs and Kirk Shaffer with the Federal Aviation Administration (FAA) stated that FAA does not know how to deal with drones yet. If a drone comes into the airspace, it is the responsibility of the tower to shut down air traffic if the drone is causing a hazard. The airports do not have the authority to shoot down drones. President Kreulen stated MNAA is tracking this issue.

Commissioner Smith asked if there were any other airports using a dashboard that MNAA could look at to determine other useful information that could be added. Chief Griswold stated that Adam Floyd had been to the airport in San Francisco and Atlanta and plans to go out to other airports to see what they are using.

Chief Griswold presented a slide consisting of a graph of officer-initiated calls versus dispatched. The graph compared April-June 2018 to April-June 2019. Initiated calls are when the officer goes out and initiates an action such as checking doors or stopping someone with expired tags. Dispatched is usually for medical calls or a wreck.

Chief Griswold then presented a graph of airport incidents comparing April-June 2018 and April-June 2019. These items included aircraft incidents, alarms, calls of service, checks, criminal, and traffic. Most of the numbers had increased in 2019 with passenger growth.

This item was presented for information purposes only with no action required.

VI. Adjourn

There being no further business brought before the Audit Committee, Chair Farnsworth adjourned the meeting at 10:13 a.m.



Amanda C. Farnsworth, Board Secretary