

Minutes of the MNA Management Committee



Date: November 10, 2021

Nashville International Airport Boardroom

Time: 11:00 a.m.

Committee Members Present:

Bill Freeman, Chairman; Nancy Sullivan, Vice Chair;
Joycelyn Stevenson, Secretary; Bobby Joslin and
Jimmy Granbery

Committee Members Absent:

None

Others Present:

Doug Kreulen; Andrew Byrd; Dr. Glenda Glover;
Cindy Barnett; Neale Bedrock; Lisa Lankford; Ginger
Cork and Sabrina Troy

I. CALL TO ORDER

Chairman Freeman called the meeting of the Metropolitan Nashville Airport Authority Management Committee to order at 10:32 a.m. pursuant to Public Notice dated November 5, 2021.

II. APPROVAL OF MINUTES

No minutes for approval

III. CHAIR'S REPORT

Chairman Freeman did not have a Chair's Report.

IV. ITEMS FOR APPROVAL

NONE

V. INFORMATION ITEMS

A. Internal Audit Update

President Kreulen introduced Ms. Lisa Lankford, VP, Strategic Advisor to the President. Ms. Lankford provided an Internal Audit update including Fraud Reporting, Internal Audit Status and Payment Card Industry (PCI) Compliance Assessment.

The Red Flag report received on September 16, 2021 from a resident of Hawaii regarding an immigration officer was investigated by the Department of Public Safety (DPS) on September 17, 2021. The investigation found this to be an internet scam, with no connection to the airport. The report was administratively closed on November 5, 2021.

Ms. Lankford reported that currently 37 internal audit findings are open, and 8 findings were closed throughout the quarter. The closures include 3 in Corporate Communications, 4 in Information Technology and 1 in Procurement.

Ms. Lankford recognized Mr. KC Hampton, AVP, Information Technology, for his work resulting in MNAA being awarded 2021 PCI Compliance.

The airport first became PCI compliant in 2019 under Mr. Hampton's leadership and just passed the 2nd annual assessment, conducted October 4 – October 31, 2021. Areas validated included Secure System Configurations; PCI Scope and Segmentation; Policies and Procedures; Clean Vulnerability Scans; and Passing Penetration Test. Ms. Lankford also noted that the Vulnerability scans and the penetration tests are also monitored through our internal audit program. There are several improvements Mr. Hampton has implemented that supported us on this assessment, including the addition of Syxsense, which helps with patchwork and vulnerability management, and submission of weekly, monthly, and quarterly evidence. When the assessors come in to do annual assessments, Mr. Hampton has already submitted 100% of the material required and keeps it in a state of control throughout the year. Mr. Hampton has also made improvements organizationally within IT.

B. External Audit Update

President Kreulen introduced Ms. Pamela Hill, Partner, Audit, Plante Moran to provide an update on the FY21 Independent External Audit. Ms. Hill briefed the Committee on the 3 audits conducted.

Financial Statement Audit: Plante Moran issued an unmodified opinion, and no issues were identified in the risk assessment.

Single Audit: The Airport Improvement Program (AIP) was audited as a major program, with total expenditures ~ \$53M, including \$30M of CARES Act funding through June 30, 2021. Plante Moran issued an unmodified opinion, and no instances of non-compliance or deficiencies in internal controls were identified.

Passenger Facility Charge (PFC) Compliance Audit: Plante Moran issued an unmodified opinion, and one instance of non-compliance was identified. The authority did not notify the air carriers

upon partial approval of their new application to impose a passenger facility charge as required by 14 CFR Section 158.43. Notification has since been made to all air carriers.

Chairman Freeman recognized and thanked former Audit Committee Chair Sullivan for the job she did and continues to do.

C. Executive Session

Chairman Freeman requested an executive session of the Management Committee to discuss litigation matters at 10:47 a.m. Commissioner Joslin made a motion to go into executive session. Commissioner Byrd seconded the motion. The motion carried by a vote of 5 to 0. Chairman Freeman excused some staff and the public and thanked them for being here.

Chairman Freeman began the executive session at 10:47 a.m. and reopened the meeting to the public at 11:12 a.m.

Chairman Freeman proposed a motion to recommend to the full Board to approve the terms presented by counsel settling the Colonial Pipeline Litigation, for sum to not exceed \$4.7M. Commissioner Granbery seconded the motion. The motion carried by a vote of 5 to 0.

Mr. Neale Bedrock, EVP, General Counsel and Chief Compliance Officer recognized Mr. Ted Morrissey for all his hard work on this matter.

VI. ADJOURN

There being no further business brought before the Management Committee, Chairman Freeman thanked the Commissioners for their participation and adjourned the meeting at 11:14 a.m.


Joycelyn Stevenson, Board Secretary