

LYNX Finance & Audit Committee Agenda

Meeting Date: 11/21/2019
Meeting Time: 9:30 AM

Central Florida Regional Transportation Authority
455 N. Garland Ave.
2nd Floor Open Space
Orlando, FL 32801

As a courtesy to others, please silence all electronic devices during the meeting.

1. Call to Order

2. Approval of Committee Minutes



Finance Committee Minutes - October 17, 2019






Pg 3

3. Public Comments

- Citizens who would like to speak under Public Comments shall submit a request form to the Assistant Secretary prior to the meeting. Forms are available at the door.

4. Chief Financial Officer Report

5. Action Items

- A.  Authorization to Purchase Sixty Three (63) Paratransit and Fifteen (15) Neighborlink Replacement Vehicles and Amend the Previous Purchase Authorization from the July 25, 2019, Board of Directors Meeting Pg 6
- B.  Authorization to Increase the Not-to-Exceed Amount for the Cherry Bekaert, LLP Contract #15-C12 by \$56,400 from \$522,500 to \$578,900. This Contract Provides Support Services Related to the LYNX Business Control Assessment and to Perform an Internal Control and Data Security Audit for Florida Department of Highway Safety and Motor Vehicles Data Exchange Pg 8
- C.  Authorization to Release a Request for Proposal (RFP) for Payroll and Human Resource Systems Pg 10
- D.  Proposed Amendments to Administrative Rule 2 Establishing Auditor Selection Committee Pg 12
- E.  Approval of the LYNX Finance and Audit Committee Meeting Dates for 2020 Pg 14

6. Other Business

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, he will need a record of the proceedings, and that, for such purposes, he 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.

In accordance with the Americans With Disabilities Act of 1990, persons needing a special accommodation at this meeting because of a disability or physical impairment should contact Benjamin Gonzalez at 455 N. Garland Ave, Orlando, FL 32801 (407) 254-6038, not later than three business days prior to the meeting. If hearing impaired, contact LYNX at (407) 423-0787(TDD).

LYNX
Central Florida Regional Transportation Authority
Finance and Audit Committee Meeting Minutes

PLACE: LYNX Central Station
455 N. Garland Avenue
2nd Floor, Open Space
Orlando, FL 32801

DATE: October 17, 2019

TIME: 2:00 p.m.

Members in Attendance:
Michelle McCrimmon, City of Orlando
Kurt Petersen, Orange County
Timothy Jecks, Seminole County
Jo Santiago, FDOT, 5th District

Staff in Attendance:
Bert Francis, Chief Financial Officer
Tiffany Homler-Hawkins, Chief Administrative Officer
John Slot, Chief Innovation & Sustainability Officer
Leonard Antmann, Director of Finance
Norman Hickling, Director of Mobility Services
Michelle Daley, Manager of Financial Planning &
Budgets

Members Absent:

Amanda Clavijo, Osceola County

1. Call to Order

Co-Chair McCrimmon called the meeting to order at 2:00 p.m.

2. Approval of Minutes

Co-Chair McCrimmon requested a motion for approval of the Finance & Audit Committee minutes from the September 19, 2019, Finance & Audit Committee meeting. Motion to approve the September 19, 2019, minutes was made by Tim Jecks, seconded by Kurt Peterson and unanimously adopted. The minutes were approved as presented.

3. Public Comments

No members of the public were present to speak.

4. Chief Financial **Officer's Report**

Co-Chair McCrimmon recognized Bert Francis, LYNX Chief Financial Officer. Mr. Francis stated that we have tentatively heard that we may receive an additional amount of up to seven hundred thousand dollars for the FY2020 budget from TD funding. Once we get confirmation, we will come back to the committee with a budget adjustment.

We are not billing enough hours to SunRail, so we will increase this amount. This affects the current year and next fiscal year. This also will result in a budget increase. We will prepare a budget amendment for either December or January.

Health care took a little jump in September, and we are analyzing why this happened.

We have two items that we are going to remove from this agenda. Items 6.A. and 6.B. will be removed from this agenda, and we will add them to a future agenda. Also the Mobility Services presentation will be on the operational aspects, not the policy matters.

5. Committee Discussion Items

A. Cherry Bekaert Presentation on FY2019 Audit Plan

Ron Conrad and Brian Liffick, from Cherry Bekaert, made the presentation. Mr. Conrad stated that they are in charge of the financial statement audit and the single audit, which is the audit of grants for state and federal purposes. The Federal Transit administration requires an agreed upon procedures report. He reviewed the calendar showing the plan for the audit. The reports will be completed in March.

B. Presentation on Operational Aspects of Mobility Services

Mr. Norman Hickling, Director of Mobility Services made the presentation. He **discussed eligibility and the "Free-Pass" program.** There are over forty individuals that are very interested in this program. There will be a savings to the budget if we can get some of our paratransit customers to take one or two rides with the fixed-route system.

A functional assessment is required to be eligible to use mobility services through ADA. This is completed by a contractor at a medical facility. This includes new

applicants and re-certifications that must re-certify every two years. There has been an increase in the number of denials, and we are offering travel training to these individuals.

We will start working on our Transportation Disadvantaged program next, so that each program is consistent.

C. Discussion on Audit Selection Committee

Mr. Francis stated that the Florida statutes were changed recently to reflect a new committee called the **"Auditor Selection Committee"**. This committee will have the task of selecting the **agency's** auditor. This would happen as needed. There must be at least three members, and suggests that one be a member of the Board of Directors, who will chair the committee. Our recommendation is to have the Finance and Audit committee serve in that capacity with one of the Board members as the chair. This committee would serve like an SEC committee for procurement purposes and would allow the committee to make an impartial and knowledgeable decision.

6. Committee Action Items

- A. Authorization to Increase Contract #15-C12 for Cherry Bekaert, LLP by \$35,000 to Provide Support Services Related to the LYNX Business Control Assessment

This item was pulled from the agenda.

- B. Authorization to Increase Contract #15-C12 for Cherry Bekaert, LLP by \$21,400 for One Year to Perform an Internal Control and Data Security Audit for Florida Department of Highway Safety and Motor Vehicles Data Exchange

This item was pulled from the agenda.

7. Other Business

No other business was discussed.

The meeting adjourned at 2:47 p.m.

LYNX Finance & Audit Committee Agenda

Action Agenda Item #5.A.

To: LYNX Finance & Audit Committee

From: **Norman Hickling**
Director Of Mobility Services
Selita Stubbs
(Technical Contact)

Phone: 407.841.2279 ext: 6169

Item Name: Authorization to Purchase Sixty Three (63) Paratransit and Fifteen (15) Neighborlink Replacement Vehicles and Amend the Previous Purchase Authorization from the July 25, 2019, Board of Directors Meeting

Date: 11/21/2019

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to amend previously approved authorization to purchase twenty (20) Paratransit and ten (10) NeighborLink replacement vehicles at the Board of Directors' meeting on July 25, 2019. Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to purchase a total of sixty three (63) Ford E350 6.8L Gas – Vanterra Paratransit vehicles and fifteen (15) E450 6.8L Gas - Odyssey NeighborLink replacement vehicles. These vehicles will be outfitted with appropriate lifts and seating securement systems to be ADA compliant.

The replacement vehicles will be procured for a not-to-exceed amount of \$6,700,000. The replacement Paratransit vehicles and NeighborLink vehicles will be purchased from Alliance Bus Group using the TRIPS-17-CA-ABG Transit Research Inspection Procurement Services Program (TRIPS) Contract.

BACKGROUND:

On July 25, 2019, the Board of Directors authorized staff to procure twenty (20) Paratransit and ten (10) NeighborLink replacement vehicles. It was anticipated, at a subsequent Board of Directors meeting, staff would ask for authorization to procure an additional fifty-seven (57) paratransit vehicles and five (5) NeighborLink replacement vehicles to bring both fleets into a State of Good Repair. After the July Board of Directors meeting, Mobility Services staff was informed the proposed paratransit vehicles would no longer be manufactured after 2019. This information forced staff to stop all procurement activities and investigate alternative vehicles. The result of the investigation has led to proposed procurement submitted in this board letter.

LYNX Finance & Audit Committee Agenda

Currently, LYNX has an active fleet of one hundred sixty-four (164) paratransit vehicles and twenty-four (24) NeighborLink vehicles. Sixty three (63) Paratransit vehicles scheduled for replacement have exceeded their useful life, with an average of 280,837 miles per vehicle and over five years of service. The fifteen (15) NeighborLink vehicles to be replaced have an average of 307,845 miles per vehicle and over eight years of service.

This vehicle replacement is part of LYNX Transit Development Plan (TDP) and sustainability goals. The proposed vehicles will provide an immediate 18% to 20% improvement in fuel efficiency and lower overall maintenance costs once they are adopted into the fleet. In addition, the vehicles will have the capability to undergo a future conversion to operate on Compressed Natural Gas (CNG), based upon operational needs and business practices.

Upon arrival of the replacement vehicles, LYNX will retire a like amount of vehicles in accordance with Federal Transit Administration (FTA) guidelines.

Paratransit Vehicles	Quantity	Cost	Total
TurtleTop Vanterra XLT	63	\$74,000	\$4,662,000
Standard Seats(2), Foldaway Seats(8), Q'Straint QRTMAX(3), 1000 lb. Lift(1), Freedman Tie-Downs System(3), Mobile Data Terminal(1), Gaseous Engine Prep(1)	63	11,000	693,000
Paratransit Vehicle Cost			\$5,355,000

NeighborLink Vehicles	Quantity	Cost	Total
TurtleTop Odyssey	15	\$75,000	\$1,125,000
Standard Seats(8), Foldaway Seats(4), Q'Straint QRTMAX(2), 1000 lb. Lift(1), Freedman Tie-Downs System(2), Electronic Destination Sign(1), Gaseous Engine Prep(1)	15	10,000	150,000
NeighborLink Vehicle Cost			\$1,275,000

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION

LYNX' DBE program requires that each transit vehicle manufacturer, as a condition to bid for or propose on FTA-assisted vehicle procurements, must provide certification of compliance with Federal DBE regulations requiring an established annual overall percentage DBE participation goal approved by FTA. DBE requirements are monitored by the Federal Transit Administration (FTA).

FISCAL IMPACT:

LYNX staff included \$5,390,000 in the FY2020 Approved Capital Budget for the purchase of Paratransit vehicles and \$1,800,000 for the purchase of NeighborLink replacement vehicles.

LYNX Finance & Audit Committee Agenda

Action Agenda Item #5.B.

To: LYNX Finance & Audit Committee

From: Leonard Antmann
Director Of Finance
Tellis Chandler
(Technical Contact)
Warren Hersh
(Technical Contact)

Phone: 407.841.2279 ext: 6125

Item Name: Authorization to Increase the Not-to-Exceed Amount for the Cherry Bekaert, LLP Contract #15-C12 by \$56,400 from \$522,500 to \$578,900. This Contract Provides Support Services Related to the LYNX Business Control Assessment and to Perform an Internal Control and Data Security Audit for Florida Department of Highway Safety and Motor Vehicles Data Exchange

Date: 11/21/2019

ACTION REQUESTED:

Staff is requesting the Board of Directors' Authorization for the Chief Executive Officer (CEO) or designee to approve a one (1) year increase for Cherry Bekaert, LLP's contract, #15-C12 by \$56,400. The purpose of the increase is to provide (1) support services related to the LYNX business control assessment and (2) work required to perform an internal control and data security audit as required by the memorandum of understanding with the Florida Department of Highway Safety and Motor Vehicles.

BACKGROUND:

The purpose of this increase is to pay for additional professional services as follows:

- To assist LYNX on matters relating to conducting its internal business control assessment. LYNX is in the process of conducting a high level assessment and Cherry Bekaert will provide technical support and staff augmentation as needed. Some of the key aspects of the assessment is to review key LYNX business functions relative to the economy, efficiency, and effectiveness of operations including the business risks and key controls in place; the identification of improvement opportunities; and determining next steps.
- To perform an internal control and data security audit as required by the memorandum of understanding with the Florida Department of Highway Safety and Motor Vehicles. LYNX provides driver license data for all employees on a daily basis to identify on a

LYNX Finance & Audit mmittee Agenda

real-time basis potential issues, e.g., suspensions, expirations, violations, etc. The purpose of the audit is to assess the internal control and data security over the use and dissemination of personal data in light of the requirements of the MOU and applicable laws and that the controls are adequate to protect the personal data from unauthorized access, distribution, use, modification, or disclosure.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

FISCAL IMPACT:

LYNX staff included \$56,400 in the FY2020 Approved Operating Budget for professional services to support the additional work.

LYNX Finance & Audit Committee Agenda

Action Agenda Item #5.C.

To: LYNX Finance & Audit Committee

From: **Leonard Antmann**
Director Of Finance
Terri Setterington
(Technical Contact)
Warren Hersh
(Technical Contact)

Phone: 407.841.2279 ext: 6125

Item Name: Authorization to Release a Request for Proposal (RFP) for Payroll and Human Resource Systems

Date: 11/21/2019

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to release a Request for Proposal (RFP) for Payroll and Human Resource Information Systems (HRIS). The contract term will be for an initial three (3) year period with two (2) one (1) year options.

BACKGROUND:

The current contract #18-C132 with Ceridian, approved by the Board for a three-year period on May 24, 2018, included the implementation to the new platform, Dayforce, as the current platform will not be supported after December 31, 2020. Staff is seeking to implement another solution due to the current transition not proceeding as planned including significant delays in implementation dates.

The application's primary focus will include employee records, applicant tracking, employee history, employee benefit administration and tracking, new hire reporting, payroll processing, check distribution, employee garnishments, labor distribution reporting, pension reporting and general ledger services.

The proposed timeline for the RFP process is as follows:

- Release RFP December 13, 2019
- Response due January 16, 2020
- SEC Evaluation on February 7, 2020

LYNX Finance & Audit Committee Agenda

- Authorization to Award Contract March 26, 2020
- Effective date October 1, 2020

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE goal is assessed on this contract to be funded with operational dollars.

FISCAL IMPACT:

LYNX staff included \$145,600 for Payroll and HR services in the FY2020 Approved Operating Budget.

LYNX Finance & Audit Committee Agenda

Action Agenda Item #5.D.

To: LYNX Finance & Audit Committee

From: **Tiffany Homler Hawkins**
Chief Administrative Officer
Tiffany Homler Hawkins
(Technical Contact)

Phone: 407.841.2279 ext: 6064

Item Name: Proposed Amendments to Administrative Rule 2 Establishing Auditor Selection Committee

Date: 11/21/2019

ACTION REQUESTED:

Staff is proposing amendments to Administrative Rule 2 in order to designate the Finance and Audit Committee as an "auditor selection committee" in accordance with recent amendments to Section 218.391, Florida Statutes. A copy of the proposed amendments is attached hereto (with additions underlined and redactions ~~stricken~~).

In connection with the amendments to Administrative Rule 2 and for the purpose of assisting the Governing Board in its upcoming selection of an outside auditor, Staff is requesting that the Board designate one of the Governing Board members to serve as the chair of the Finance and Audit Committee in order to comply with the statutory requirement that the committee be chaired by a member of the agency's governing body when serving as an auditor selection committee. The designation will be solely related to the Finance and Audit Committee's role as an auditor selection committee and will not otherwise make a member of the Governing Board the chair or a member of the Finance and Audit Committee for any other purpose.

BACKGROUND:

On April 26, 2019, the Governor signed into law Chapter 2019-15 amending Section 218.391, Florida Statutes, which sets forth requirements applicable to public entities' selection of outside auditors.

Under the revised Section 218.391, Florida Statutes, each municipality, special district (such as LYNX), district school board, charter school, or charter technical career center is required to establish an auditor selection committee to assist its governing body in selecting an auditor to conduct the annual financial audit required in Section 218.39, Florida Statutes. The auditor selection committee is required to consist of at least three members, one of whom must be a member of the governing body of the entity. That member must serve as the auditor selection committee's chair. An employee, chief executive officer, or chief financial officer of the county,

LYNX Finance & Audit Committee Agenda

municipality, special district, district school board, charter school, or charter technical career center may not serve as a member of an auditor selection committee; however, an employee, chief executive officer, or chief financial officer of the county, municipality, special district, district school board, charter school, or charter technical career center may serve in an advisory capacity.

The proposed amendments to Administrative Rule 2 designate the Finance and Audit Committee to serve as LYNX's auditor selection committee; it adds a member of the Governing Board to the committee when the committee is serving in such capacity, designates such member as the chair of the committee, and requires such member's participation in order to constitute a quorum; and prohibits any employee, chief executive officer, or chief financial officer of LYNX from serving as a member of an auditor selection committee, although it permits any employee, chief executive officer, or chief financial officer of LYNX to serve in an advisory capacity.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

FISCAL IMPACT:

No fiscal impact is applicable for this item.

LYNX Finance & Audit Committee Agenda

Action Agenda Item #5.E.

To: LYNX Finance & Audit Committee

From: Leonard Antmann
Director Of Finance
Leonard Antmann
(Technical Contact)

Phone: 407.841.2279 ext: 6125

Item Name: Approval of the LYNX Finance and Audit Committee Meeting Dates for 2020

Date: 11/21/2019

ACTION REQUESTED:

Staff is requesting the Finance and Audit Committee's approval for the LYNX Finance and Audit Committee meeting dates for 2020.

BACKGROUND:

The proposed dates for 2020 are as follows:

- Thursday, January 16, 2020 - 2:00 p.m.
- Thursday, February 20, 2020 – 2:00 p.m.
- Thursday, March 19, 2020 – 2:00 p.m.
- Thursday, April 16, 2020 – 2:00 p.m.
- Thursday, May 21, 2020 – 2:00 p.m.
- Thursday, June 18, 2020 – 2:00 p.m.
- Thursday, July 16, 2020 – 2:00 p.m.
- Thursday, August 20, 2020 – 2:00 p.m.
- Thursday, September 17, 2020 – 2:00 p.m.
- Thursday, October 15, 2020 – 2:00 p.m.
- Thursday, November 19, 2020 – 2:00 p.m.

LYNX Administrative Rule 2 – Board Governance (Bylaws) authorizes the LYNX Board of Directors to establish committees and those committees are to annually establish their meeting

LYNX Finance & Audit Committee Agenda

schedule. Listed below are the current committees established by the LYNX Board of Directors and the meeting schedule:

- LYNX Oversight Committee: Fourth Thursday of the month
- Finance and Audit Committee: Third Thursday of the month
- Risk Management Committee: Quarterly