

Financial Stewardship

Accountability

Transparency

Port of Seattle Audit Committee

Internal Audit Update

Glenn Fernandes - Director, Internal Audit

December 10, 2020

Remote Meeting

1:30 PM – 3:30 PM

Operational Excellence

Governance



2020 AUDIT PLAN STATUS

Audit Title	Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cash Controls	Operational												
Equipment Acquisition, Monitoring and Disposal	Operational												
Network Password Management	IT												
McDonald's USA, LLC	Contract Compliance												
Service Tunnel Renewal/Replace Project	Operational - Capital												
Interlocal Agreement Mapping ¹	Operational												
E-Z Rent A Car, Incorporated	Contract Compliance												
Qdoba Restaurant Corporation	Contract Compliance												
Fireworks Galleries, LLC	Contract Compliance												
Secure Configuration for Hardware and Software on Mobile Devices, Laptops, Workstations and Servers	IT												
Concourse Concessions, LLC	Contract Compliance												
AOA Perimeter Fence Line Standards Project	Operational - Capital												
Payment Card Industry (PCI)-Qualified Security Assessor	IT												
Criminal Justice Information Systems (CJIS)	IT												
Malware Defenses (ICT only) ²	IT												
Public Health Emergency Leave Program (PHEL) ³	Operational												
Delegation of Authority ²	Operational												
Central Terminal Infrastructure Upgrade (Bid and Design Phases)	Operational - Capital												
Ground Transportation -Taxi Cabs	Operational												
Inventory and Control of Software Assets	IT												
Biometrics	IT												
Outside Services (Professional)	Operational												
North Terminal Utilities Upgrade - Phase 1	Operational - Capital												
Lenlyn Limited	Contract Compliance												
Concessions Int'l, LLC	Contract Compliance												
T2 Airport Garage Parking System Replacement	IT												

KEY	Complete
	In Process
	Defer to 2021

Note ¹: Advisory Services Project added per the Commission's request.

Note ²: Contingency audit approved by the Audit Committee in December 2019.

Note ³: Added per HR's request.

2020 Audit Plan Update

- 17 audit reports, 1 analysis memo, and 2 summary reports completed in 2020 as planned: Operational (6), Capital Projects (3), IT (6), and Limited Contract Compliance (5).
- Audits identified 3 High Risk, 21 Medium Risk, and 4 Low Risk rated issues for management action.
- In addition, Internal Audit responded to emerging risks to the Port by performing a time-sensitive audit (PHEL), and two advisory service projects: FEMA Public Assistance Program – Coronavirus (COVID-19) and Capital Asset – Construction Work In Progress.
- The Port has opportunities to strengthen internal controls and related processes to mitigate business risks.
- The Port has opportunities to reduce change orders, schedule delays and design issues.

2020/2019 Suggested Recoveries

Lease/Concession:

2020 Audits	Amount
Concourse Concessions, LLC	\$1,527
McDonald's USA, LLC	10,265
E-Z Rent A Car, Incorporated	16,201
Total	\$27,993

2019 Audits	Amount
Sixt Rent A Car	\$43,299
EAN Holdings, LLC	6,159
Anton Airfood of Seattle, Inc.	5,420
Mad Anthony's, Inc.	15,557
Total	\$70,435

Capital:

2020 Audits	Amount
AOA Perimeter Fence Line Standards Project	\$232,000
Total	\$232,000

2019 Audits	Amount
Concourse D Hardstand Holdroom	\$60,000
Checked Baggage Optimization Project (Phase 1)	629,142
Total	\$689,142

2020/2019 Controllable Cost Over-Runs

Audit	2019 Amount	2020 Amount
Noise Insulation Program*	\$660,140	0
Shilshole Bay Marina Customer Facilities Project**	186,400	0
Service Tunnel Renewal/Replacement Project	0	\$160,000
AOA Perimeter Fence Line Standards Project	0	106,000
Total	\$846,540	\$266,000

* Calculated assuming a 16% margin markup vs. 51%.

** Calculated based on design changes and revision back to original design.

Operations Audit Approach

- Risk Universe: 56 departments*
- Risk scoring
 - ✓ Six Risk Categories (Compliance, Reputation, Safety, Financial, Fraud, Strategy)
 - ✓ Subjective (Commission Requests, Management Input, Prior Audit History)

Division/Department	Audit	Low 1 - High 5						Low 1 - High 10	Score	Low 0-24 Medium 25-34 High 35-40
		Compliance	Reputation	Safety	Financial	Fraud	Strategy	Subjective		
Central Procurement Office	Outside Services (Professional)**	5	4	1	5	5	5	10	35	High
Accounting & Financial Reporting	Rent & Concessional Deferral Recovery	4	3	1	5	4	3	10	30	Medium
Legal - Attorney Services	Outside Services (Professional)**	5	4	2	4	2	3	10	30	Medium
Aviation, Corporate and Maritime Finance and Budget	Capitalization of Assets	3	3	2	4	4	3	10	29	Medium
Aviation/Maritime - Art Collection	Art Program	3	2	1	3	3	5	10	27	Medium
Aviation Environment and Sustainability - Aviation Environmental Services	Noise Monitor Data Accuracy South King County Fund	4	5	1	1	1	5	10	27	Medium

* See Appendix A – Operations Audit Universe.

** Includes two departments.

Capital Projects Audit Approach

- 22 projects currently under contract >\$1MM*
- Risk rating of projects utilizing six attributes:
 - ✓ Project Size (Construction Costs)
 - ✓ Change Orders (Original Contract Sum)
 - ✓ Contract Type
 - ✓ Schedule
 - ✓ Budget
 - ✓ Known Concerns (Errors & Omissions, Potential Claims, Scope Changes, etc.)

Division	Current Contract Amount	YTD Cost as of Oct. 2020
Aviation	\$1,710 MM	\$1,426 MM
Non-Aviation	11 MM	9 MM
Total**	\$1,721 MM	\$1,435 MM

* See Appendix B - Capital Risk Universe - Projects Currently Under Contract, Risk Rating Methodology.

** Contract costs as of October 2020. Does not include total project cost (Port's internal/soft cost).

2021 Proposed Capital Project Audit Plan

Name	Schedule	Rating*	Budget	Contract Amount
Central Terminal Infrastructure Upgrade (Construction Phase)	Red		Red	\$12.3MM
North Terminals Utilities Upgrade – Phase 1	Green		Red	12.8MM
Checked Baggage Recap/Optimization- Phase II	Green		Red	293.7MM
Restroom Renovations Phase 3 Prototype	Red		Red	3.5MM
			Total	\$322.3MM

Contingency Audits**	Schedule	Rating*	Budget	Contract Amount
North Satellite (NSAT) Renovation & Expansion	Red		Red	\$492.9MM
International Arrivals Facility	Red		Red	829.3MM
			Total	\$1,322.2MM

- Ratings generated from Internal Audit’s risk assessment, utilizing the following systems: Quarterly Capital Improvement Projects, Contractor Data system, etc. See Appendix B – Capital Risk Universe – Projects Currently Under Contract, Risk Rating Methodology.

** If resources exist, at Internal Audit Director’s discretion, these audits will be moved to the 2021 Audit Plan.

Information Technology Audit Plan Approach

- The Port did not have a comprehensive IT Audit program prior to 2018.
- Our IT Audit program* focuses on high risk, high value controls, identified by the Center for Internet Security** (CIS, 20 control areas, 171 controls).
- We are using risk input from Information Security to assist us in determining the order in which to perform the CIS audits.
- Additionally we will add audits based on executive management concerns or emerging threats.
- Once we cycle through those 20 high risk areas (we will have completed four by year end 2020), we will likely branch out into looking at other IT General Controls and move to a more classic risk assessment process of assessing risk, using likelihood and impact, to determine what will be on our annual IT audit plan.

* See Appendix C – IT Audit Universe

** <https://cybernetsecurity.com/industry-papers/CIS-Controls%20Version-7-cc-FINAL.PDF> - page 1

Information Technology Audit Plan

Proposed 2021 Audits/Assessments

Name	Risk (from IT Audit Universe)	Selection Criteria
T2 Airport Garage Parking System Replacement*	N/A	Management Request
Biometrics*	N/A	Audit Committee Request
Malware Defenses – Aviation Maintenance	High	Center for Internet Security
Continuous Vulnerability Management	High	Center for Internet Security
Payment Card Industry (PCI) – Internal Security Assessor	High	Contractual Requirement

Contingency Audits**

Name	Risk (from IT Audit Universe)	Selection Criteria
Data Recovery Capabilities	High	Center for Internet Security
Wireless Access Control	High	Center for Internet Security

* Deferred to the 2021 Audit Plan from 2020 due to COVID-19 Pandemic.

** If a proposed audit cannot be performed, at the Internal Audit Director's discretion and based on management resources, these audits will be moved to the 2021 Audit Plan.

Lease and Concession Audit Plan Approach

- 129 leases in the risk universe*
- Risk rating of leases primarily based on the three-year revenues, prior audit history, and prescribed audit cycle/frequency
- Other key factors taken into considerations, include:
 - ✓ Lease agreement status
 - ✓ Record retention period for audit
 - ✓ Concession business type
 - ✓ Port's Business Manager workload

Agreement Year	Total Revenues	Aviation	Economic Development	Maritime
2018	\$126 MM	\$118 MM	\$2 MM	\$6 MM
2019	126 MM	120 MM	2 MM	4 MM
2020**	37 MM	33 MM	1 MM	3 MM
Total	\$289 MM	\$ 271MM	\$5 MM	\$13 MM

Rating	Number of Leases	2018-2020 Revenue	Percentage	Frequency
High	11	\$165 MM	57%	5-year cycle***
Medium	21	88 MM	31%	10-year cycle***
Low	97	36 MM	12%	As needed
Total	129	\$289 MM	100%	

* See Appendix D – Lease Concession Risk Universe.

** Annualized using a simple average, based on actual data as of 8/31/2020.

*** Changed from 4-year to 5-year cycle (High Risk), and 8-year to 10-year cycle (Medium Risk).

2021 Lease and Concession Audits

Name	Division	Rating	2018-2020 Revenues
Rasier, LLC	Aviation	High	\$17,276,898
Lyft	Aviation	High	10,393,254
Lenlyn Limited*	Aviation	Medium	2,960,535
Seattle Tacoma Int'l Limousine Assoc.	Aviation	Low	1,848,469
Dilettante Chocolate Inc	Aviation	Low	1,288,769
Fruit & Flower, LLC**	Aviation	Low	1,221,769
		Total	\$34,989,662
<u>Contingency Audit***</u>			
Dufry – Seattle JV	Aviation	High	\$14,606,006
		Total	\$14,606,006

* Deferred to the 2021 audit plan from 2020 due to COVID-19 Pandemic.

** Replaced Concessions International, LLC that was deferred to the 2021 plan from 2020 due to COVID-19 Pandemic, based on the Concessions' contract termination as of 9/30/2018 and the three-year record retention for audit.

*** If resources exist, at Internal Audit Director's discretion, this audit will be moved to the 2021 Audit Plan.

Historical Reports Overview 2017 – 2021

Report Type	2017*	2018**	2019	2020	2021 (Proposed)
Operational	11	8	4	6	5
Operational - Capital	1	5	4	3	4
Information Technology	2	3	6	6	5
Limited Contract Compliance	8	6	5	5	6
Total	22	22	19	20	20

* 2017 included 9 audits carried over from the 2016 audit plan. The 1st and 2nd Quarter Audit Committee Meetings discussed 2016 Audits.

** 2018 included 6 audits carried over from the 2017 audit plan. The 1st Quarter Audit Committee Meeting discussed 2017 Audits.

Proposed 2021 Audit Plan

Limited Contract Compliance

- Rasier, LLC
- Lyft
- Lenlyn Limited¹
- Seattle Tacoma Int'l Limousine Association
- Dilettante Chocolate, INC
- Fruit & Flower, LLC (DBA Floret Authority)

Operational

- Rent & Concession Deferral Recovery
- Capitalization of Assets
- Art Program
- Noise Monitor Data Accuracy
- South King County Fund

Capital

- Central Terminal Infrastructure Upgrade (Construction Phase)
- North Terminal Utilities Upgrade – Phase 1¹
- Checked Baggage Recap/Optimization - Phase II
- Restroom Renovations Phase 3 Prototype

Information Technology

- T2 Airport Garage Parking System Replacement¹
- Malware Defenses – Aviation Maintenance
- Continuous Vulnerability Management
- Biometrics¹
- Payment Card Industry (PCI) - Internal Security Assessor²

¹ Moved to 2021 audit plan from 2020 due to COVID-19 Pandemic.

² This work (which is not an audit) will be performed by Internal Audit.

Contingency Audits - if resources exist, at Internal Audit Director's discretion, these audits will be moved to the 2021 Audit Plan.

Limited Contract Compliance

- Dufry – Seattle JV

Operational

- Outside Services (Professional)¹
- Architectural & Engineering Consultant Rates Follow-Up Audit

Capital

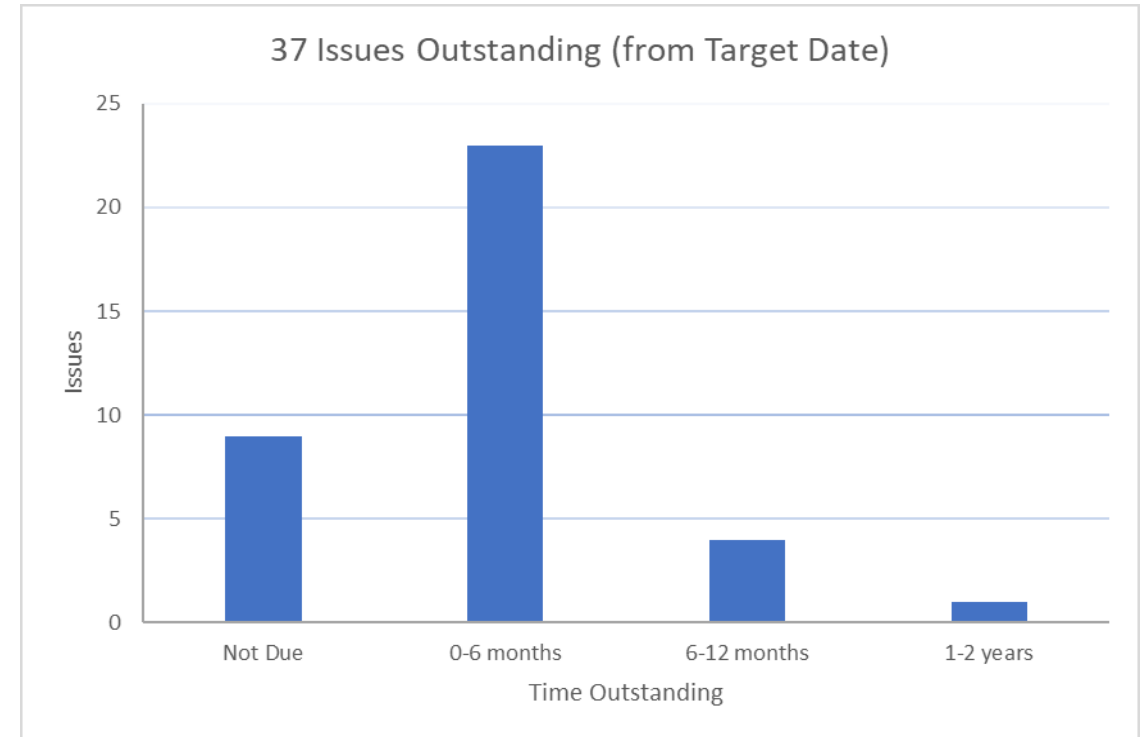
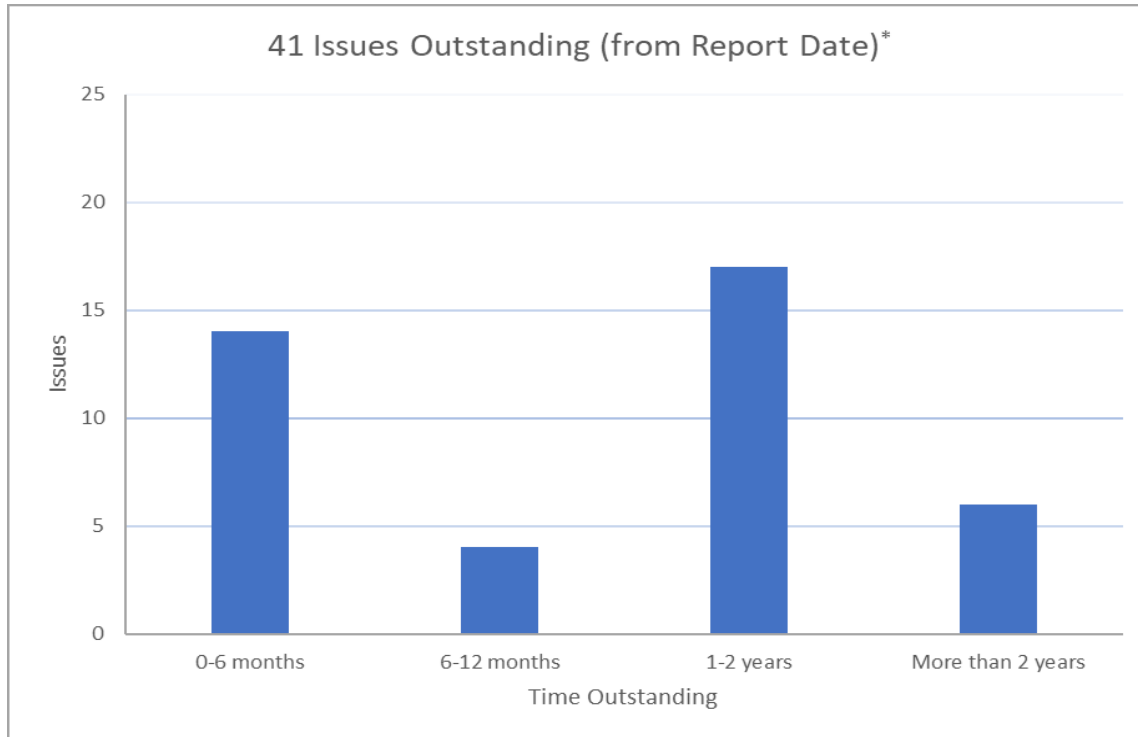
- North Satellite (NSAT) Renovation & Expansion
- International Arrivals Facility

Information Technology

- Data Recovery Capabilities
- Wireless Access Control

¹ Moved to 2021 audit plan from 2020 due to COVID-19 Pandemic.

Open Issue Follow-Up Status – Aging Report as of December 10, 2020



* Six issues outstanding for more than two years are:

- 1 - Fishing & Commercial Operations – Manual Billing Process at Risk of Error – To be built in house - Vendor was unable to meet ICT requirements. Commission approved \$410,000 additional funding for the Vessel Management System via Unanimous Consent on September 22, 2020.

Security Sensitive – Exempt from Public Disclosure per RCW 42.56.420 – Issue Not Discussed in Public Session.

- 1 - IT Disaster Recovery
- 1 - IT Change Management and Patch Management
- 3 - AVM/F&I Data Centers

See **Appendix E** for a detailed listing of outstanding issues as of December 10, 2020.

Audits Completed in Fourth Quarter, 2020

- 1) Ground Transportation – Taxi Cabs
- 2) Public Health Emergency Leave Program (PHEL)
- 3) Central Terminal Infrastructure Upgrade (Bid and Design Phases)
- 4) Delegation of Authority
- 5) Inventory & Control of Software Assets*

*Security Sensitive – Exempt from Public Disclosure per RCW 42.56.420 – Not Discussed in this Public Session.

Ground Transportation – Taxi Cabs

- In May 2019, the Port of Seattle Commission, through motion number 2019-03, established a two-year pilot program for the on-demand (flat rate/for hire) service at the Seattle – Tacoma International Airport. The program included the following key elements:
 - The Port earns an all-inclusive per-trip fee of six dollars (\$6.00) per outbound trip.
 - Currently, 409 vehicles are in the program.
 - Owner/operators that were offering on-demand taxi and flat-rate for-hire services under the previous program (East Side for Hire) were retained for the pilot program through September 30, 2021.
 - Through Commission motion, activity fees were deferred for the period March 25, 2020 through July 31, 2020 to provide relief due to COVID-19.

1) Rating: High

The reconciliation process to identify and resolve differences between the Port's Automated Vehicle Identification (AVI) system and the in-house phone billing application (App.) needs to be enhanced and performed on a timely basis. Both the AVI system and application are technology-based tools that, when functioning as intended, should produce little to no variance, which will indicate that vehicles are being billed accurately.

- The App. Count, which bills the driver, was 3,100 higher than the AVI count, which tracks vehicles activity, in November of 2019.
- Internal Audit noted a significant improvement in August of 2020, trip volumes were significantly lower as well, and we did not have sufficient data to conclude as to whether the issues had been fixed.

(High) – Issue continued:

Beginning in March of 2020 through June 2020, fees due from operators were deferred until March 31, 2021. Thereafter a 1% interest rate was levied on outstanding balances. During this time, the app. was turned off and manual counts of vehicle trips were performed. The decision was made to use the lower of the manual counts, performed by ABM, or the AVI counts, to bill taxi operators. Internal Audit tested the month of May 2020 and identified a 4.3% variance. This is reflected in the table below:

	May 2020
AVI count (without Code 11 trips)	2,899
ABM manual count	2,778
Difference	121

Recommendations

- Management should continue to engage the Business Intelligence department (BI) which possesses subject matter expertise for building a technology-based reconciliation. Internal Audit recommend that BI fully develop the reconciliation based on input from both Operations and Business Development.

2) Rating: Medium

An Information Technology Control for ensuring that only authorized individuals had access to the Taxi application, had failed. Although not exploited, an error in coding allowed all users of the Port's Enterprise network to have limited access to the application.

- Users in the Taxi application can enable or disable taxi operators signed up in the program. While this does not appear to affect the number of billed trips, an issue with approved access could potentially allow unauthorized vehicles to be added to the system or inappropriately denied access.
- Internal Audit identified an individual with access to the Taxi application but did not appear on a list of authorized users maintained by the Information and Communications Technology department (ICT). Upon investigation, ICT identified a coding flaw in the application that allowed the access noted above to all users of the Enterprise network. The coding flaw has been corrected, and ICT has modified their coding requirement to prevent it from reoccurring.

3) Rating: Low

The process to assure that all vehicles in the taxicabs program were inspected within a specified/predetermined frequency, needed to be improved. Prior to the COVID Pandemic, vehicle inspections were carried out on a random basis, which did not assure that all vehicles were inspected.

- Operator agreements state *“Operator’s vehicles, employees, agents and drivers may be inspected for cleanliness, proper equipment, good appearance, safe operating conditions and violation of any laws...”*
- Inspections for two vehicles, from a sample of fifteen, had not been performed.
- Aligns to “best in class” Ground Transportation customer experience.

Management Response – Issue 1

The Ground Transportation (GT) team has a system in place to consistently perform monthly reconciliations/comparisons of the Taxi App's trip activity and the AVI system trip activity. That process continues to be refined and streamlined as the Pilot Program advances.

While we aspire to a 100% match and reconciliation, the process of recording trip activity requires a manual scan of each vehicle accessing the Taxi curb in the airport garage. Challenges remain with the Taxi App and the AVI system recording equivalent numbers of trips. The Taxi App records revenue-generating trips only, as manually scanned by an ABM employee and has risk for human error (missed scan, double scan etc.), while the AVI system reports ALL exits from the Airport.

We will continue to work with BI to look at the process and have a goal of matching all trips. We'll also continue to investigate a technology solution that will support both the current Pilot Program and its successor.

DUE DATE: Completed*

Management will discuss in detail. (Full response in Audit Report No. 2020-16)

*Internal Audit plans to verify completeness by 12/31/2020.

Management Response – Issue 2

A fix for this defect was deployed in October 2020. This fix applied corrected authorization logic. Audit logs for the application were also reviewed to look for cases where inappropriate personnel would have made any modifications. This review did not find evidence of the defect being inappropriately exploited.

Since the bug was introduced, additional testing practices have been developed. These testing practices include checks specific to this type of defect and are expected to help prevent this in the future.

As the On-Demand Taxi Pilot Program was implemented, the Ground Transportation Manager provided ICT with a list of staff who should be given access to the Taxi App in order to authorize and de-authorize vehicles. The Ground Transportation team will continue to work with our ICT partners to ensure authorized users have access. Ground Transportation will request a list of authorized users from ICT on a quarterly basis to validate users in the Taxi App.

DUE DATE: Completed

Management will discuss in detail. (Full response in Audit Report No. 2020-16)

Management Response – Issue 3

There is not a specific requirement for Port staff to license or inspect Taxi/Flat Rate vehicles.

However, prior to the COVID-19 pandemic, each on-demand taxi was physically inspected by Ground Transportation staff each regularly. This is in addition to the work performed by the Department of Licensing and King County.

With the Pilot Program, there is not a requirement for the Port to conduct inspections, only that Operators are to make their vehicles available for inspection as requested by the Port GT team. Given the more recent concerns about the safety of doing in-person, onsite vehicle inspections, we have modified our inspection process; Since March 2020, the inspection process has become a virtual review of driver credentials, i.e., for-hire license, business license, vehicle insurance, etc. We partner with King County for current information related to driver credentials and by contacting drivers directly to see how they've been faring during this pandemic and collect any missing information.

Effective January 1, 2021 our process will include:

- Vehicles and operating documents will be inspected on a quarterly basis.
- Each GT Controller will be assigned a specific set of vehicles for inspection.
- Inspections will primarily be accomplished by reviewing operating documents (licenses, insurance, operating agreement)
- Lead GT Controllers will review the list of active vehicles monthly for compliance.

DUE DATE: 01/01/2021

Management will discuss in detail. (Full response in Audit Report No. 2020-16)

Public Health Emergency Leave Program (PHEL)

- Audit requested by the Senior Director of Human Resources.
- Audit Objective - To determine whether the use of PHEL was in alignment with Port policy/applicable laws.
- PHEL was originally authorized for up to 80 hours and extended to 240 hours in April of 2020 for specific circumstances related to COVID-19.
- As of July 2020, 952 Port employees used approximately 155,000 hours of PHEL at an estimated cost, to the Port, of \$7.7 million.
- Internal Audit's testing included - interviewing supervisors from multiple departments and review of supporting documents.
- Testing covered 287 employees who used 54,075 hours.

1) Rating: High

The lack of a centralized administration of the PHEL program, and vague policy language increased the potential that PHEL was abused or approved for unintended purposes.

➤ Multiple Departments/Teams Involved:

- Total Rewards (HR) - Tracked employees who met high-risk category or had children whose schools or daycare centers were closed.
- Health and Safety (HR) - Tracked employees exposed to, experienced symptoms of, or tested positive for COVID-19. Health and Safety, however, did not monitor or track the number of PHEL hours an employee used.
- Departments Approved for Minimum Essential Staffing - Policy did not address how PHEL was to be used for minimum essential staffing. Departments were given flexibility on how to allocate, track hours, and monitor PHEL use. Some managers allowed staff to take PHEL through a rotational basis, so that there was an “equitable opportunity.”

Continued

Issue 1: Observations from Testing

- PHEL was approved to care for extended family members.
- Employees were allowed to quarantine, and use PHEL, without notifying Health and Safety.
- During interviews, it was alleged that:
 - Some employees viewed PHEL hours as an entitlement and used for vacation.
 - Some employees were not truthful of COVID-19 exposure and/or health conditions.
- Some managers expressed concerns that people took advantage of PHEL but were unable to substantiate it.
- Employees who could telework, used PHEL, without meeting allowable criteria.
- Employees exceeded PHEL hours, which was hard to identify. (Lack of a system control)

2) Rating: High

Port management did not have adequate procedures in place to monitor the potential of employees collecting unemployment insurance benefits and receiving compensation from the Port concurrently.

- Federal Families First Coronavirus Response Act created an opportunity for employees to use leave without pay and collect unemployment.
- Multiple departments and a third-party vendor had separate independent roles in payroll coding, monitoring the PHEL program, and approving unemployment claims.
- Internal Audit identified three employees who reported compensable time on their timesheets and received unemployment benefits simultaneously.

Root Causes

- Lack of accountability within Port departments. Payroll coding errors are an on-going concern.
- Neither the third-party vendor, nor the Port, received weekly unemployment claims to compare to timesheets.

Management Response – Issue 1

Human Resources (HR) concurs with many of the auditors' observations and has implemented action plans to strengthen the controls over documentation, approval, and compliance monitoring.

In an effort to honor employee privacy and keep medical information confidential while still managing the Port's response to employees exposed to, or diagnosed with COVID-19, we segregated oversight of PHEL use based on the situation while facilitating communication between HR staff about PHEL availability and usage.

We have also updated our internal HR processes to facilitate stronger connections and communications between the various HR employees whose subject matter expertise requires that they engage with employees or managers and answer questions or address administration of PHEL.

We are also updating our administrative document and reviewing the PHEL FAQs to make needed updates.

We are encouraging employees to contact our central PHEL program administrator with questions or concerns about potential inappropriate use of PHEL. HR will follow up and address questions or concerns as appropriate.

DUE DATE: Completed

Management will discuss in detail. (Full response in Audit Report No. 2020-14)

Management Response – Issue 2

Human Resources (HR) concurs with the Audit findings and implemented action plans to improve unemployment monitoring procedures. We are taking steps to better monitor the potential for employees to receive unemployment benefits and Port compensation simultaneously.

DUE DATE: 12/31/2020

Management will discuss in detail. (Full response in Audit Report No. 2020-14)

Central Terminal Infrastructure Upgrade (Bid and Design Phases)

- The purpose of the Central Terminal Infrastructure Upgrade project (CTIUP) is to provide an additional 10,000 square feet of airport, dining and retail space to the Central Terminal and associated vertical circulation.
- Project will be reviewed in two parts: This audit focused on the bid and design phases. The second audit will review the construction and closeout phases.
- Osborne Construction was awarded the contract for \$9.3M. There have been \$2.9M in executed change orders and potential cost risks increasing the forecasted construction budget to \$12.2M.
- The initial expected date of substantial completion was December 26, 2019. 278 approved days extended substantial completion to September 29, 2020.
- The Project was substantially completed in late November 2020.

1) Rating: Medium

The lack of involvement, participation, and collaboration between the key stakeholders during the review and approval of designs resulted in additional project costs and schedule delays.

- No mandatory requirement for key stakeholders to provide feedback and approve key design milestones in a timely manner.
- Full approval of each design milestone may decrease the potential for scope changes after the design is approved.
- Opportunity for the project management team to be more involved with stakeholders to assure they have a complete understanding of projects and the impact of scope changes after designs have been approved.

Management Response

Three key points from the Aviation Division in response to the audit findings:

- Since this project went through the bid and design phase there have been significant changes to project processes, that if in place at the time, could have mitigated the cost increases. The first relevant project process change, made in 2020, was additional requirements during the project definition phase.
- Two significant changes to construction sequencing and project design were made as a conscious business decisions to meet customer service needs and to gain revenue, which offset the cost of the changes.
- Finally, Aviation Project Management is developing additional process changes to address the recommendation of mandatory design review participation. Changes include designation of mandatory reviewers for each project beginning or already in design and development of communications expectations for non-technical design reviewers (e.g. Aviation business management). These changes will be complete in Q2 2021.

DUE DATE: 6/30/2021

Management will discuss in detail. (Full response in Audit Report No. 2020-18)

Delegation of Authority

- The Port's Delegation of Responsibility and Authority to the Executive Director (ED), as amended, as of June 13, 2017, incorporated Commission Resolutions 3605, 3628, and 3704.
- Established general redelegations from the Commission to the Executive Director (ED). Policy EX-2 captures the ED's administrative, monetary, and contractual redelegations of his authority to Port staff.
- Limits are established based on the individual's business needs and are typically commensurate with the individual's title/position in the company.
- Prior to entering into an agreement, Commission approval is required for contracts that exceed \$300,000.

- This audit employed a unique approach. While Internal Audit (IA) conducted the audit using protocols consistent with Internal Audit Standards, IA partnered with the Strategic Initiatives Department so that any recommendations resulting from the audit could then be implemented leveraging the knowledge and insight gained from the audit experience.
- John Okamoto, under the direction of the Port's Chief Operating Officer, Dave Soike, provided outside expertise and perspective. Mr. Okamoto serves on the Executive Review Panel and provides recommendations to the ED and the Commission related to the International Arrivals Facility.
- ***No Internal Control Deficiencies were noted.***

1) Efficiency Opportunity

- In March 2010, the Port's Delegation of Authority limit was established at \$300,000. The limit requires Commission approval for expenditures that exceed \$300,000. Re-evaluating the limit using a risk-based approach could result in increasing the limit, thereby allowing the Commission to maintain a more strategic focus while providing greater autonomy for the Executive Director and staff to carry out day-to-day business.

- Of the contracts executed over a 19-month period ending July 31, 2020, Commission approval was required for 74, which represented 98 percent of the overall spend.

Major Construction / Service Agreements	# of contracts	Amount	% of Spend
> \$300,000	74	\$598,831,699	98%
< \$300,000	136	10,063,130	2%
	210	\$608,894,829	100%

- If Commission delegated authority increased from \$300,000 to \$1,000,000, Commission approval would still be required for 95 percent of the overall spend.

Major Construction / Service Agreements	Contracts	Amount	% of Spend
>\$10,000,000	6	\$418,496,152	69%
\$5,000,001 - \$10,000,000	11	73,677,331	12%
\$3,000,001 - \$5,000,000	15	63,031,110	10%
\$1,000,001 - \$3,000,000	14	25,113,715	4%
\$300,001 - \$1,000,000	28	18,513,391	3%
\$0 - \$300,000	136	10,063,130	2%
	210	\$608,894,829	100%

- Internal Audit also performed limited benchmarking with other Government Agencies in Washington State. The information provides a reference point for comparison that may be useful when evaluating current delegated limits.

Agency	Governing Body	Delegate	Amount Delegated
King County	9-member council	King County Executive	No limit*
City of Seattle	9-member council	City Mayor	No limit*
Sound Transit	18-member board	Chief Executive Officer	\$5,000,000
Northwest Seaport Alliance	10-member commission	Chief Executive Officer	\$300,000
Port of Seattle	5-member commission	Executive Director	\$300,000
Port of Tacoma	5-member commission	Executive Director	\$300,000

* Council approves a budget (King County – biennially; City of Seattle – annually). Management is not required to obtain Council approval if the contract amount is within the Agency’s adopted appropriation authority.

Recommendations

- Management should work with the Commission to identify if the current process and thresholds can be modified to maintain/increase transparency and governance.
- Sound Transit held an open public meeting in 2018, prior to making substantial changes to their delegation of authority.
- Consider leveraging standing committees to achieve efficiencies and increase transparency.
- Apply a risk-based approach, to determine items that require full Commission attention.
- Risk factors not only include financial exposure that Commission is willing to delegate to management, but should also include non-financial factors, such as social, environmental, reputational or regulatory elements.
- If limits are raised, we also recommend frequent (monthly) and robust reporting to the Commission and the public.

Management Response - Remarks by John Okamoto

- View from independent eyes from an elected official, and senior executive responsible for delivery of “mega-projects.”
- Clean audit affirms the Port has created a culture of compliance since 2007.
- BUT, with an unintended consequence of significant administrative inefficiencies and opportunity cost for Commission policy focus.
- Audit highlights opportunity to achieve efficiencies as compared to other public agencies and allow Commission to focus in on more critical issues.
- Risks of lifting the \$300k delegation of authority can be managed by affirming existing policy controls adopted by the Commission, implementing appropriate administrative controls, enhancing public transparency of project status and changes, and continued Commission oversight through sub-committees and identification of high priority projects.

Management Response – Delegation of Audit Results

- Test of a 1.5-year period demonstrates the delegation system is performing well and as designed
- Delegations can be complex, yet testing demonstrates guidance documents clearly laid out and being followed by staff
- An efficiency opportunity was identified
 - What kind of efficiency
 - How to best identify an appropriate adjustment

Management Response – Efficiency Opportunity

- Delegation level was set 10 years ago. Since then the capital construction and consulting have grown tremendously.

Delegation Level	Who Approves What	Benefit
If \$300,000	Commission Action – 98%	Status Quo
	Executive Director - 2%	
If \$1,000,000	Commission Action - 95%	Saves 28 actions per year. Added Commission time for strategy and mission focus.
	Executive Director - 5%	
If 10,000,000	Commission Action - 69%	Saves 68 actions per year. Added Commission time for strategy and mission focus.
	Executive Director - 31%	

Management Response - Comparator Agencies

AGENCY	DELEGATION	5 YEAR CAPITAL BUDGET
King County	No limit – within bi-annual budget	\$5 B
City Seattle	No limit – within bi-annual budget	\$5.2 B
UW	15,000,000	\$3.7 B
Sound Transit	5,000,000	\$1.9 B
Port of Seattle	300,000	\$3.4 B
NWSA	300,000	\$440 M
San Fran. Int. Airport	1,000,000	\$4.8 B

Staff will research, gather data, and analyze, to find best balance with transparency and process checks and balances (procedures and control mechanisms).

Management Response - Objectives and Values for Staff Approach

Objectives:

- Find best balance for efficient delegation level(s) while ensuring transparency and governance that best matches the Port's Business.
- Efficiency for Commission, staff and partners

Values:

- Free Commission time for strategies and mission priorities, while delegating lesser risk items to Executive Director.
- Find transparent means to assure Commission awareness and involvement commensurate with delegation (quarterly briefs, action items, monthly reports, dashboards, 1:1's, ED briefs, and others).

Management Response – Staff Approach – Six Areas in Work Plan

- Establish Multi-departmental & Business Unit Team
- Transparency Reporting
 - What Port does not
 - What other agencies do
 - “Voice of customers” – Commission
- Efficiency – Develop efficient check and balances vs. delegation
- Delegation level – Propose options, weigh risks, and test vs. transparency and efficiency
- Identify Optimum Recommendation(s)
- Update Commission at the end of Q1 2021

Appendix

A – Operations Risk Universe

B – Capital Risk Universe & Risk Rating Methodology

C – IT Risk Universe

D – Lease/Concession Risk Universe

E – Aging of Outstanding Issues as of December 10, 2020

Appendix A – Operations Risk Universe

Score	Level
35-40	High
25-34	Medium
0-24	Low

Division	Department	Sub Department	Compliance	Reputation	Safety	Financial	Fraud	Strategy	Subjective	Score	Level
Aviation	Aviation Maintenance	Mechanical Systems; Electrical, Electronics and STS; Facilities, Fleet, Systems and Grounds; Asset Management and Logics; Custodial Services (Aviation Sign Shop)	5	5	5	5	5	5	10	40	High
Police Department	Police Department	Police Department	5	5	5	3	4	5	10	37	High
Chief Financial Officer	Information Communication Technology	Information Communication Technology	5	5	1	5	5	5	10	36	High
Chief Financial Officer	Information Security	Information Security	5	5	1	5	5	5	10	36	High
Human Resources	HR Systems	HR Systems	5	5	1	5	5	5	10	36	High
Chief Financial Officer	Risk Management	Credentials/ID Badges (Physical Access; Security Strategy/Intelligence/Compliance; Employee Security Screening Program; Security Key Management)	5	5	5	3	5	5	8	36	High
Aviation	Commercial Management	Parking Revenue Management; Airport Dining and Retail; Aviation Business Development and Analysis; Properties (including Airport Lease Agreements)	4	5	3	5	4	5	10	36	High
Aviation	Emergency Preparedness	Emergency Preparedness	4	5	5	3	3	5	10	35	High
Central Procurement Office	Central Procurement Office	Service Agreements; (includes delegation of authority)	5	4	1	5	5	5	10	35	High
Chief Financial Officer	Risk Management	Emergency Preparedness	4	5	5	3	3	5	10	35	High
Central Procurement Office	Central Procurement Office	Purchasing; (includes delegation of authority; P-Card)	5	4	1	5	5	5	10	35	High
Legal	Workplace Responsibility Office	Workplace Responsibility Office (Code of Conduct Guidance and Support)	5	5	2	5	4	4	10	35	High
Chief Financial Officer	Aviation, Corporate and Maritime Finance and Budget	Treasury	5	5	1	5	5	3	10	34	Medium
Aviation	Airport Operations	Safety Management Operations	5	5	5	3	3	5	8	34	Medium

Appendix A – Operations Audit Universe (continued)

Score	Level
35-40	High
25-34	Medium
0-24	Low

Division	Department	Sub Department	Compliance	Reputation	Safety	Financial	Fraud	Strategy	Subjective	Score	Level
Aviation	Aviation Security	Credential Center (Physical Access; Security Strategy/Intelligence/Compliance; Employee Security Screening Program; Security Key Management)	5	5	5	2	4	3	10	34	Medium
Maritime	Maritime Environment & Sustainability	Environment & Sustainability *Reporting to Sr. Director Environment & Sustainability	5	5	3	3	2	5	9	32	Medium
Maritime	Maritime Operations and Security	Maritime Ops	4	3	4	4	2	4	10	31	Medium
Chief Financial Officer	Accounting & Financial Reporting	Accounts Receivable (Revenue Services)	4	3	1	5	4	3	10	30	Medium
Chief Financial Officer	Accounting & Financial Reporting	Billing	4	3	1	5	4	3	10	30	Medium
Human Resources	Employee Relations	Employee Relations	5	5	1	3	1	5	10	30	Medium
Human Resources	Health and Safety	Health and Safety	3	5	5	2	1	4	10	30	Medium
Legal	Attorney Services	Attorney Services	5	4	2	4	2	3	10	30	Medium
Chief Financial Officer	Accounting & Financial Reporting	Accounts Payable (Disbursements)	4	3	1	5	4	3	10	30	Medium
Chief Financial Officer	Accounting & Financial Reporting	Payroll	4	3	1	5	4	3	10	30	Medium
Economic Development	Diversity in Contracting	WMBE Utilization in Contracting/Outreach	5	5	1	2	3	5	8	29	Medium
Aviation	Airport Operations	Landside (Airport Transit Ops, Employee Parking, Public Parking, Ground Transportation)	5	4	3	2	2	4	9	29	Medium
Chief Financial Officer	Aviation, Corporate and Maritime Finance and Budget	Funding and Financing (Budget and Business Plan; Financial Reporting)	4	3	1	5	4	3	9	29	Medium

Appendix A – Operations Audit Universe (continued)

Score	Level
35-40	High
25-34	Medium
0-24	Low

Division	Department	Sub Department	Compliance	Reputation	Safety	Financial	Fraud	Strategy	Subjective	Score	Level
Equity, Diversity and Inclusion	Equity, Diversity and Inclusion infused into Corporate Culture, Strategies and Goals	Equity, Diversity and Inclusion infused into Corporate Culture, Strategies and Goals	4	5	1	2	2	5	10	29	Medium
Chief Financial Officer	Aviation, Corporate and Maritime Finance and Budget	Asset Management and Inventory (Physical Assets; CIP)	3	3	2	4	4	3	10	29	Medium
Human Resources	Employee Records	Employee Records (Offboarding; Separation/Retiring Employees)	5	5	1	1	3	3	10	28	Medium
Chief Financial Officer	Risk Management	Claims Management	5	4	1	4	3	3	8	28	Medium
Aviation	Art Collection	Art Collection	3	2	1	3	3	5	10	27	Medium
Labor Relations	Collective Bargaining Agreement Negotiations	Collective Bargaining Agreement Negotiations	4	4	1	2	2	4	10	27	Medium
Maritime	Art Collection	Art Collection	3	2	1	3	3	5	10	27	Medium
Aviation	Airport Operations	(206)787-SAFE	5	5	5	2	2	5	3	27	Medium
Aviation	Airport Operations	Cargo Operations	4	4	5	2	4	5	3	27	Medium
Chief Financial Officer	Risk Management	Incident Reporting	5	4	5	3	3	4	3	27	Medium
Aviation	Airport Operations	Airfield Operations	5	4	5	2	2	4	5	27	Medium
Chief Financial Officer	Risk Management	Insurance Programs	5	3	3	5	2	4	5	27	Medium
Maritime	Cruise Operations and Maritime Marketing	Cruise	2	5	3	5	2	5	5	27	Medium
Maritime	Cruise Operations and Maritime Marketing	Cruise Services Management	2	5	3	5	2	5	5	27	Medium

Appendix A – Operations Audit Universe (continued)

Score	Level
35-40	High
25-34	Medium
0-24	Low

Division	Department	Sub Department	Compliance	Reputation	Safety	Financial	Fraud	Strategy	Subjective	Score	Level
Equity, Diversity and Inclusion	Equity Goals and Objectives Incorporated	Equity Goals and Objectives Incorporated	4	5	1	2	2	5	8	27	Medium
Maritime	Portfolio & Asset Management	Maritime Portfolio *Reporting to Managing Director Economic Development	3	3	1	5	3	4	8	27	Medium
Engineering, Environment and Sustainability	Aviation Environmental Services	Aviation Environmental Services (Noise Program; Contaminated Soil and Groundwater; Air Quality and Climate; Recycling and Hazardous Waste Programs; SEPA/NEPA; Water Resources and Wetlands; South King County Fund)	4	5	1	1	1	5	10	27	Medium
Aviation	Airport Operations	Snow Operations	4	3	5	3	1	4	6	26	Medium
Legal	Public Records	Public Records (Records Management; Email Management; Open Public Meetings; Records Center - SharePoint)	5	5	1	1	1	3	10	26	Medium
Labor Relations	External Labor Relations	External Labor Relations	5	5	1	5	2	4	3	25	Medium
Labor Relations	Internal Labor Relations	Internal Labor Relations	5	5	1	5	2	4	3	25	Medium
Chief Financial Officer	Risk Management	Contracting Insurance Information	5	3	2	5	2	3	5	25	Medium
Maritime	Marine Maintenance	Marine Maintenance	3	3	5	3	3	3	5	25	Medium
Maritime	Maritime Environment & Sustainability	Habitat *Reporting to Sr. Director Environment & Sustainability	4	5	2	2	2	5	5	25	Medium
Maritime	Maritime Environment & Sustainability	Stormwater Utility *Reporting to Sr. Director Environment & Sustainability	5	4	4	3	1	3	5	25	Medium
Aviation	Airport Operations	Fire Department (Fire Suppression; Prevention; Training)	4	4	5	1	1	3	7	25	Medium
Economic Development	Tourism Development	Tourism Development	1	4	1	3	1	4	10	24	Low
Human Resources	Talent Development	Talent Development (Job Evaluation/PerformanceLink)	5	4	1	3	4	5	2	24	Low

Appendix A – Operations Audit Universe (continued)

Score	Level
35-40	High
25-34	Medium
0-24	Low

Division	Department	Sub Department	Compliance	Reputation	Safety	Financial	Fraud	Strategy	Subjective	Score	Level
Economic Development	Real Estate Development	Real Estate & Economic Development	3	3	1	5	3	4	5	24	Low
Aviation	Airport Operations	Customer Service Operations	3	4	2	2	3	4	6	24	Low
Equity, Diversity and Inclusion	Workforce Development	Workforce Development	1	4	1	2	1	4	10	23	Low
Aviation	Airport Building Department	Landscape Design Standards	4	3	3	3	3	4	3	23	Low
Chief Financial Officer	Accounting & Financial Reporting	Financial Reporting and Controls	4	3	1	5	4	3	3	23	Low
Chief Financial Officer	Accounting & Financial Reporting	General Ledger	4	3	1	5	4	3	3	23	Low
Chief Financial Officer	Accounting & Financial Reporting	Travel Card System and Information	4	3	1	5	4	3	3	23	Low
Chief Financial Officer	Aviation, Corporate and Maritime Finance and Budget	Cost Recovery (Budget)	4	3	1	5	4	3	3	23	Low
Chief Financial Officer	Risk Management	Driver Safety Program	5	3	5	3	1	3	3	23	Low
Strategic Initiatives	Strategic Initiatives	Strategic Planning	3	5	2	3	2	5	2	22	Low
Engineering, Environment and Sustainability	Maritime Environmental and Planning	Maritime Environmental and Planning	3	4	3	1	1	5	5	22	Low
External Relations	Community Engagement	Community Engagement (Community Relations)	1	5	1	1	1	5	8	22	Low
Human Resources	Total Rewards	Total Rewards (Spirit and Wellness)	3	4	1	3	3	5	2	21	Low
Maritime	Maritime Operations and Security	Fishermen's Terminal	2	3	3	2	4	5	2	21	Low
Maritime	Maritime Operations and Security	Fishing and Commercial Vessel Management	2	3	3	2	4	5	2	21	Low
Maritime	Maritime Finance & Budget	Finance & Budget *Reporting to Chief Financial Officer	4	3	1	3	3	4	3	21	Low
Aviation	Airport Innovation	Continuous Process Improvement	3	4	2	2	2	5	2	20	Low

Appendix A – Operations Audit Universe (continued)

Score	Level
35-40	High
25-34	Medium
0-24	Low

Division	Department	Sub Department	Compliance	Reputation	Safety	Financial	Fraud	Strategy	Subjective	Score	Level
Maritime	Marine Maintenance	Parks Maintenance	1	5	4	2	1	5	2	20	Low
Strategic Initiatives	Strategic Initiatives	Continuous Process Improvement	3	4	2	2	2	5	2	20	Low
External Relations	Government Relations	Government Relations	3	5	1	2	1	3	5	20	Low
Chief Financial Officer	Risk Management	Foreign Travel	4	4	4	3	2	1	1	19	Low
Human Resources	Talent Acquisition	Talent Acquisition	3	5	1	3	1	5	1	19	Low
Economic Development	Facilities Management	Order an Office Chair	1	1	1	2	2	1	10	18	Low
External Relations	Strategic Communications	Strategic Communications	3	5	1	2	1	5	1	18	Low
Aviation	Airport Operations	Terminal Operations	2	4	4	2	1	2	3	18	Low
Maritime	Cruise Operations and Maritime Marketing	Maritime	1	4	1	4	1	5	1	17	Low
Maritime	Cruise Operations and Maritime Marketing	Maritime Marketing	1	4	1	4	1	5	1	17	Low
Maritime	Cruise Operations and Maritime Marketing	Operations	1	4	1	4	1	5	1	17	Low
Maritime	Maritime Operations and Security	T91 Docks	2	3	3	3	2	3	1	17	Low
Economic Development	Facilities Management	AOB Facilities Amenities and Services	1	1	1	1	1	1	10	16	Low
Economic Development	Facilities Management	P69 Facilities: Amenities and Services (Non-Aviation ID badge credentialing; Amenities (Coffee Rooms, Janitorial Svcs, Privacy Rooms))	1	1	1	1	1	1	10	16	Low
Economic Development	Facilities Management	STOC Facilities Amenities and Services	1	1	1	1	1	1	10	16	Low
Maritime	Maritime Operations and Security	Maritime Industrial Center	2	1	4	2	2	2	2	15	Low
Maritime	Maritime Operations and Security	Recreational Boating	2	2	3	2	2	2	2	15	Low
Aviation	Airport Building Department	ABD Permits Central (Permit Forms; Policies; Procedures; Interpretations)	5	1	2	1	1	1	2	13	Low
Economic Development	Facilities Management	Airport Office Building (AOB)	1	1	1	1	1	1	7	13	Low
Economic Development	Facilities Management	P69 Mail, Shipping, and Receiving	1	1	1	2	3	1	2	11	Low
Economic Development	Facilities Management	Parking Access Card	1	1	1	1	1	1	5	11	Low

Appendix A – Operations Audit Universe (continued)

Score	Level
35-40	High
25-34	Medium
0-24	Low

Division	Department	Sub Department	Compliance	Reputation	Safety	Financial	Fraud	Strategy	Subjective	Score	Level
Aviation	Airport Building Department	Accela Civic Platform	3	1	1	1	1	1	2	10	Low
Aviation	Airport Building Department	Accela E-Permit Portal	3	1	1	1	1	1	2	10	Low
Economic Development	Facilities Management	Employee Parking Validation	1	1	1	1	2	1	3	10	Low
Economic Development	Facilities Management	Fleet Vehicle Reservations	1	1	1	1	1	1	3	9	Low
Chief Financial Officer	Business Intelligence	Data Doctor/Data Analytical & Training Assistance	1	1	1	1	1	2	1	8	Low
Aviation	Airport Innovation	Disruption Summit	1	1	1	1	1	1	1	7	Low
Aviation	Airport Innovation	Innovation Awards	1	1	1	1	1	1	1	7	Low
Aviation	Airport Innovation	Shark Tank	1	1	1	1	1	1	1	7	Low
Chief Financial Officer	Risk Management	Business Card Requests	1	1	1	1	1	1	1	7	Low
Chief Financial Officer	Risk Management	In Remembrance	1	1	1	1	1	1	1	7	Low
Chief Financial Officer	Risk Management	Port Notary Program	1	1	1	1	1	1	1	7	Low
Economic Development	Facilities Management	Office Space Service Request	1	1	1	1	1	1	1	7	Low
Aviation	Airport Innovation	Business Intelligence Spotlight	n/a	n/a	n/a	n/a	n/a	n/a	3	3	Low
Aviation	Airport Innovation	Airport Innovation	n/a	n/a	n/a	n/a	n/a	n/a	1	1	Low
Aviation	Airport Innovation	Innovation Cabinet	n/a	n/a	n/a	n/a	n/a	n/a	1	1	Low
External Relations	AV Public Affairs	AV Public Affairs	n/a	n/a	n/a	n/a	n/a	n/a	1	1	Low
Human Resources	Organizational Development	Organizational Development	n/a	n/a	n/a	n/a	n/a	n/a	1	1	Low
Internal Audit	Internal Audit	Internal Audit	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low

Appendix A – Operations Audit Universe (continued)

Score	Level
35-40	High
25-34	Medium
0-24	Low

Division	Department	Sub Department	Compliance	Reputation	Safety	Financial	Fraud	Strategy	Subjective	Score	Level
Aviation	Aviation Project Management	Capital	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low
Aviation	Facilities & Capital Programs	Capital (Aviation Utilities)	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low
Central Procurement Office	Central Procurement Office	Construction - Capital	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low
Chief Financial Officer	Accounting & Financial Reporting	Business Technology	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low
Chief Financial Officer	Accounting & Financial Reporting	Capital Services	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low
Engineering, Environment and Sustainability	Engineering Services	Engineering Construction Management	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low
Engineering, Environment and Sustainability	Engineering Services	Engineering Construction Safety	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low
Engineering, Environment and Sustainability	Engineering Services	Engineering Design Services	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low
Engineering, Environment and Sustainability	Engineering Services	Engineering Survey and Mapping	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low
Maritime	Seaport Project Management Group	Seaport Project Management	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low
Port Construction Services	Port Construction Services	Capital	n/a	n/a	n/a	n/a	n/a	n/a	N/A	0	Low

Appendix B – Capital Risk Rating Methodology

Attributes		
(A)	Project Size (construction costs)	Points
	\$1 to \$25MM	1
	>\$25MM to \$50MM	2
	>50MM to \$75MM	3
	>\$75MM to \$100MM	4
	>\$100MM	5
(B)	Change Orders (compared to original contract sum)	Points
	0 to 5%	1
	5.1 to 7.5%	2
	7.6 to 10%	3
	10 .1 to 15%	4
	>15%	5
(C)	Contract Type	Points
	Lump sum	1
	Unit Price or T&M or TRA	2
	GMP w/ Shared Savings	3
	GMP w/ no shared savings	4
	Cost Plus	5
(D)	Schedule	Points
	On Schedule	1
	Potential Schedule Overrun	3
	Schedule Overrun	5
(E)	Budget	Points
	Under Budget	1
	Potential Budget Overrun	3
	Over Budget	5
(F)	Known Concerns (errors & omissions, potential claims, scope change etc.)	Points
	Subjective- Audit Knowledge	1-5

Appendix B – Capital Risk Universe (Projects >\$1MM)

	Attributes						Total	Prior Audit
	(A)	(B)	(C)	(D)	(E)	(F)		
1 International Arrivals Facility (IAF)	5	5	3	5	5	5	28	2017; 2018
2 North Satellite (NSAT) Renovation & Expansion	5	1	3	5	5	4	23	2018
3 Central Terminal Infrastructure Upgrade (Construction Phase)	1	5	1	5	5	5	22	2020
4 Restroom Renovations Phase 3 Prototype	1	4	1	5	5	3	19	
5 North Terminal Utilities Upgrade - Phase 1	2	2	1	1	5	4	15	
6 Checked Baggage Recap/Optimization Phase II	5	1	1	1	1	5	14	
Restroom Renovations Phase 2 Enabling Work	1	5	1	1	1	4	13	
2020- Airfield Pavement Program	1	2	1	3	3	3	13	
AFLD Pavement Program 2016-2020- 2019 Airfield Improvement	1	5	3	1	1	1	12	
Garage Elevator Shafts & Vestibules	1	1	1	5	3	1	12	
SD Pond Bird Deterrent Improvement	1	2	5	1	1	1	11	
Shilshole Bay Marina Paving- Combined with SBM Tenant Bldgs.	1	1	1	1	5	1	10	2019
Rental Car Facility (RCF) Pavement Remediation	1	1	1	5	1	1	10	
Lora Lake Apartment Site Remediation & Lora Lake Fill	1	1	1	3	1	2	9	
Remote Aircraft De-icing	1	1	1	3	1	1	8	
Interim Westside Fire Station	1	2	1	1	1	2	8	2018
SSAT HVAC Infrastructure Upgrade	2	1	1	1	1	1	7	
Variable Frequency Drive	1	2	1	1	1	1	7	
Taxiways Relocation L & Q Mitigation	1	1	1	1	1	1	6	
Fire Pump Replacement- BES	1	1	1	1	1	1	6	
Safedock Upgrade and Expansion	1	1	1	1	1	1	6	
Concourse C New Power Center	1	1	1	1	1	1	6	

1 Contingency audit. Complicated project nearing completion. Commission interest on lessons learned. Consideration of a third-party construction audit firm conducting a thorough review of the life cycle of the project.

2 Contingency audit. Second largest project. Scheduled completion in 2021. \$31MM in change orders (CO's). Has not been audited since 2018; however, there is an outside construction audit firm that has been actively working with management throughout the project, including CO and pay application review.

3 \$9.3MM in CO's. \$500K designer Errors & Omissions (E&O); \$1.2MM Owner E&O. Bid & design phases audited in 2020. Construction & closeout phase to be reviewed in 2021.

4 Original contract \$3MM. CO's total \$517K (16%). COVID-19 CO's total \$106K. Over budget/schedule. Emerging risk in construction of contractors using COVID-19 to decrease potential liquidated damages and/or increase revenue.

5 Original Commission approved total project budget of \$21.3MM for full redundant loop utility (heating/cooling). Lowest bid came in at \$33MM. \$600K in CO's early in project.

6 Large, complicated multi-year project. Engineer's estimate was \$179MM. Winning bid was \$294MM. Phase I reviewed in 2019 with issues.

Appendix C – IT Risk Universe

#	IT General Controls Audits	Inherent Risk
1	CIS - Inventory and Control of Hardware Assets	HIGH
2	CIS - Inventory and Control of Software Assets	HIGH
3	CIS - Continuous Vulnerability Management (includes patching)	HIGH
4	CIS - Controlled Use of Administrative Privileges	HIGH
5	CIS - Secure Configuration for Hardware and Software on Mobile Devices, Laptops, Workstations and Servers	HIGH
6	CIS - Maintenance, Monitoring and Analysis of Audit Logs	HIGH
7	CIS - Email and Web Browser Protections	HIGH
8	CIS - Malware Defenses	HIGH
9	CIS - Limitation and Control of Network Ports, Protocols, and Services	HIGH
10	CIS - Data Recovery Capabilities	HIGH
11	CIS - Secure Configuration for Network Devices (e.g., Firewalls, Routers and Switches)	HIGH
12	CIS - Boundary Defense	HIGH
13	CIS - Data Protection	HIGH
14	CIS - Controlled Access Based on the Need to Know	HIGH
15	CIS - Wireless Access Control	HIGH
16	CIS - Account Monitoring and Control	HIGH
17	CIS - Implement a Security Awareness and Training Program	HIGH
18	CIS - Application Software Security	HIGH
19	CIS - Incident Response and Management	HIGH
20	CIS - Penetration Tests and Red Team Exercises	HIGH
21	Industrial Control System Security	HIGH

#	IT General Controls Audits	Inherent Risk
22	Endpoint Protection	HIGH
23	Portable Media Security	HIGH
24	Transmission Protection	HIGH
25	Password Management	HIGH
26	Identity & Access Management	HIGH
27	Disaster Recovery Program	HIGH
28	IT Risk Management	HIGH
29	Physical & Environmental Security	HIGH
30	Change Management	HIGH
31	Datacenter Ops	HIGH
32	IT Governance	HIGH
33	Periodic User Access Reviews	HIGH
34	System and Software Development	HIGH
35	Vendor Management	HIGH
36	Security Program	HIGH
37	HIPAA Security Compliance	HIGH
38	HIPAA Privacy Compliance	HIGH
39	Annual Review of PCI Compliance	HIGH
40	Triennial WA State Patrol Audit of CJIS Compliance	HIGH
41	Project Management	MEDIUM

Appendix D – Lease/Concession Risk Universe

High Risk:

Name	Contract	2018	2019	2020*	Grand Total
ENTERPRISE RENT A CAR	AIR001281	\$12,428,124	\$12,283,311	\$2,214,868	\$26,926,303
RASIER LLC	AIR002022	6,569,772	8,020,014	2,687,112	17,276,898
AVIS BUDGET CAR RENTAL	AIR001282	7,590,103	7,639,291	1,229,522	16,458,917
IN-TER-SPACE SERVICES, INC	AIR002224	6,331,082	4,481,850	4,674,651	15,487,582
DUFY - SEATTLE JV	AIR001661	6,929,809	6,343,533	1,332,665	14,606,006
AIRPORT MANAGEMENT SERVICES LLC	AIR002018	5,935,338	6,531,640	2,106,025	14,573,003
AIRPORT MANAGEMENT SERVICES LLC	AIR002017	6,554,650	6,196,783	1,476,354	14,227,786
HOST INTERNATIONAL, INC	AIR002019	4,771,768	6,191,054	1,441,020	12,403,842
HERTZ CORPORATION	AIR001278	5,311,454	5,277,443	869,942	11,458,839
LOUIS DREYFUS COMPANY WASHINGTON LLC	SEA002603	4,734,772	3,414,447	2,586,336	10,735,555
LYFT	AIR002023	3,710,868	4,953,342	1,729,044	10,393,254
Total		\$70,869,758	\$71,334,728	\$22,349,557	\$164,574,985

* Annualized based on 8/31/2020 actuals.

Appendix D – Lease/Concession Risk Universe (continued)

Medium Risk:

Name	Contract	2018	2019	2020*	Grand Total
GATE GOURMET INT'L	AIR000042	\$2,874,824	\$3,478,670	\$1,284,754	\$7,638,248
EASTSIDE FOR HIRE, INC	AIR002100	4,381,776	2,842,695	-	7,224,472
SKY CHEFS INC	AIR001849	4,361,880	2,679,284	-	7,041,164
DOUG FOX TRAVEL/ATZ	AIR001718	3,238,379	3,292,322	496,264	7,026,965
HOST INTERNATIONAL, INC	AIR000435	4,417,740	2,597,830	(138,231)	6,877,339
SEATTLE RESTAURANT ASSOCIATES	AIR000439	2,980,072	1,815,188	-	4,795,260
REPUBLIC PARKING NORTHWEST INC	SEA000425	1,819,256	1,663,944	1,002,218	4,485,417
DTG OPERATIONS INC	AIR001279	1,887,620	1,920,146	250,181	4,057,947
CMC INVESTMENTS INC	AIR001280	1,989,383	1,688,013	302,181	3,979,576
FLYING FOOD FARE INC	AIR000086	1,501,111	1,761,803	699,594	3,962,507
SKY CHEFS INC	AIR002512	-	2,083,334	1,852,394	3,935,728
SIXT RENT A CAR LLC	AIR001632	1,627,902	1,597,449	253,458	3,478,809
FOX RENT A CAR INC	AIR001285	1,548,053	1,470,104	387,376	3,405,533
LENLYN LIMITED	AIR001788	1,406,196	1,305,120	249,220	2,960,535
ANTON AIRFOOD	AIR000374	2,151,032	551,170	-	2,702,202
QDOBA RESTAURANT CORPORATION	AIR002096	1,095,768	1,247,335	446,637	2,789,740
MCDONALD'S USA LLC	AIR001606	1,001,593	1,213,833	500,375	2,715,801
CONCOURSE CONCESSIONS LLC	AIR002055	1,035,852	1,104,870	345,172	2,485,894
FIREWORKS	AIR002101	1,040,112	1,095,226	243,430	2,378,768
SEATAC BAR GROUP LLC	AIR002053	927,016	1,159,507	290,414	2,376,937
BEECHER'S HANDMADE CHEESE, LLC	AIR001562	932,595	977,769	306,356	2,216,719
Total		\$42,218,159	\$37,545,612	\$8,771,792	\$88,535,563

* Annualized based on 8/31/2020 actuals.

Appendix D – Lease/Concession Risk Universe (continued)

Low Risk:

Name	Contract	2018	2019	2020*	Grand Total
SSP AMERICA SEA LLC	AIR002358	\$655,434	\$973,521	\$247,074	\$1,876,029
SEATTLE TACOMA INTL LIMOUSINE ASSOC	AIR001991	852,551	836,843	159,075	1,848,469
SODEXO AMERICA, LLC	AIR001513	657,525	710,436	240,870	1,608,830
SSP AMERICA SEA LLC	AIR002237	-	955,140	460,923	1,416,063
DILETTANTE CHOCOLATES INC	AIR002094	527,782	558,368	202,617	1,288,767
MAD ANTHONY'S INC CHINOOK	SEA000043	487,492	460,825	373,214	1,321,530
HOST LPI SEA FB LLC	AIR002361	-	933,168	331,334	1,264,501
FRUIT & FLOWER LLC DBA FLORET AUTHORITY	AIR002063	449,369	650,709	121,661	1,221,739
MAD ANTHONY'S INC PIER 66	SEA000294	393,839	379,625	368,040	1,141,504
PAYLESS CAR RENTAL, INC	AIR001451	449,314	505,889	59,040	1,014,243
AIRPORT MANAGEMENT SERVICES LLC	AIR000437	892,273	93,229	14,933	1,000,435
INMOTION SEA LLC	AIR002103	427,031	498,982	73,767	999,780
SSP AMERICA SEA LLC	AIR002238	-	613,177	430,541	1,043,718
HOST INTERNATIONAL, INC	AIR002247	25,322	887,298	31,250	943,870
STELLAR BAMBUZA SEA LLC	AIR002240	-	585,553	365,421	950,974
CONCESSIONS INT'L INC.	AIR002148	850,980	-	-	850,980
SMARTE CARTE INC	AIR000629	373,310	375,755	123,564	872,630
CONCOURSE CONCESSIONS LLC	AIR002362	-	560,520	323,059	883,579
E-Z RENT-A-CAR	AIR001439	426,103	360,823	38,698	825,623
PALLINO SEATAC LLC	AIR002241	-	561,190	252,563	813,753
ALCLEAR, LLC	AIR002048	290,121	443,845	27,610	761,576
EX OFFICIO LLC	AIR000580	479,082	274,446	-	753,528
BAMBUZA SEA-TAC VENTURES	AIR002365	-	518,543	282,568	801,111
THE YARROW GROUP LLC	AIR002233	-	501,082	279,318	780,400
1915 KCHOUSE CONCEPTS-SEATAC, LLC	AIR002265	-	563,846	174,090	737,936
TASTE INC dba VINO VOLO	AIR000839	328,398	248,894	-	577,291
TERMINAL GETAWAY SPA SEATTLE, LLC	AIR002095	236,089	272,051	51,113	559,253
SEATTLE CHOCOLATES COMPANY LLC	AIR002093	209,306	248,752	63,240	521,298
SUB POP RECORDS	AIR001816	215,595	188,922	57,083	461,599
BF FOODS LLC	AIR002375	428,084	17,115	-	445,199
SUNS INC	AIR002054	192,233	197,069	42,704	432,007
PROJECT HORIZON	AIR000618	340,199	-	-	340,199
SILVERCAR, INC	AIR002203	150,177	145,626	35,966	331,769
SEATTLE AIR VENTURES JV	AIR002355	5,894	207,880	119,810	333,584

* Annualized based on 8/31/2020 actuals.

Appendix D – Lease/Concession Risk Universe (continued)

Low Risk (continued):

Name	Contract	2018	2019	2020*	Grand Total
MAREL SEATTLE INC	SEA001010	150,000	150,000	-	300,000
LADY YUM, LLC	AIR002331	97,429	156,109	53,739	307,277
LATRELLES EXPRESS INC	AIR002287	127,276	134,348	-	261,625
PLANEWEAR LLC	AIR001971	111,510	115,744	36,123	263,377
AIRPORT MANAGEMENT SERVICES LLC	AIR002430	-	179,625	69,109	248,734
BF FOODS LLC	AIR002232	-	37,710	217,438	255,147
FIREWORKS	AIR001644	193,170	4,737	-	197,907
BILL & NICK INCORPORATED	SEA000016	70,659	72,879	59,288	202,826
DILETTANTE CHOCOLATES INC	AIR001657	148,050	31,403	-	179,453
SMARTE CARTE INC	AIR002097	78,819	72,748	10,598	162,164
AIRPORT MANAGEMENT SERVICES LLC	AIR001773	76,815	73,470	10,371	160,656
GLASSYBABY LLC	AIR002123	81,974	71,905	-	153,879
SECURITY POINT MEDIA, LLC	AIR002437	-	125,312	-	125,312
AIRPORT CHANNEL	AIR000988	110,673	2,700	-	113,373
PALLINO SEATAC LLC	AIR002283	96,392	12,395	-	108,787
CAFE PACIFIC CATERING, INC	AIR002124	48,034	50,622	10,573	109,229
BF FOODS LLC	AIR002491	-	44,210	72,537	116,747
CHALO LLC	AIR002270	40,795	45,707	14,861	101,363
QDOBA RESTAURANT CORPORATION	AIR000619	91,587	-	-	91,587
AIRPORT MANAGEMENT SERVICES LLC	AIR002284	82,645	6,600	-	89,245
ME & MOM'S HATS DBA SEATTLE HAT\$	AIR002141	36,855	37,318	13,661	87,834
SHARA LLC DBA SHOW PONY	AIR002330	30,950	42,027	11,168	84,145
BF FOODS LLC	AIR002393	36,376	44,556	-	80,931
CERTIFIED FOLDER DISPLAY SERVICE INC	AIR001641	33,492	31,854	17,081	82,427
MASSAGE BAR	AIR002286	64,744	5,283	-	70,028
IVARS INC	AIR000615	66,461	-	-	66,461
FOOD SYSTEMS UNLIMITED INC	AIR000616	65,386	-	-	65,386
SHILSHOLE BAY FUEL DOCK	SEA002355	38,592	25,753	-	64,345
PALLINO SEATAC LLC	AIR000613	61,720	-	-	61,720
US BANK	AIR001505	-	-	76,821	76,821
WBB C.I. CREWS, LLC	AIR002468	-	-	73,283	73,283
CONCOURSE CONCESSIONS LLC	AIR002374	46,962	10,069	-	57,031

* Annualized based on 8/31/2020 actuals.

Appendix D – Lease/Concession Risk Universe (continued)

Low Risk (continued):

Name	Contract	2018	2019	2020*	Grand Total
HAN EUN CORPORATION	SEA002621	29,479	24,877	-	54,356
LATRELLES EXPRESS INC	AIR000614	53,959	-	-	53,959
WINGZ, INC	AIR002020	39,120	8,916	2,907	50,943
REPUBLIC PARKING NORTHWEST INC	SEA000424	10,267	16,472	21,645	48,384
DELTA AIR LINES INC	AIR002309	18,031	16,981	6,250	41,262
MAC-GRAY SERVICES	SEA002097	17,524	13,899	10,038	41,461
CLIPPER FERRY SERVICES, INC	SEA003017	27,919	8,342	(0)	36,261
UNITED INDIANS OF ALL TRIBES FOUNDATION	AIR002387	-	30,962	4,098	35,061
FIREHOUSE EXPRESS, LLC	AIR001565	33,366	-	-	33,366
ASANDA AIR II LLC	AIR002409	11,990	17,218	-	29,208
GUNWOO & JINAH INC	SEA003337	-	-	29,778	29,778
LUCKY SHOE SHINE, LLC	AIR001888	14,176	9,617	-	23,792
ALASKA AIRLINES INC	AIR002299	6,643	13,344	4,744	24,732
LADY YUM, LLC	AIR002131	21,278	-	-	21,278
CLEAN ENERGY FUELS CORP	AIR001655	13,528	4,114	1,639	19,281
AMERICAN EXPRESS TRAVEL	AIR001877	7,823	8,715	2,003	18,540
PUBLICANS, INC	SEA002494	9,095	7,791	-	16,886
LADY YUM, LLC	AIR002467	-	-	17,543	17,543
MASSAGE BAR	AIR000933	12,912	-	-	12,912
HOST INTERNATIONAL, INC	AIR002150	12,623	-	-	12,623
UNITED AIRLINES	AIR002327	4,551	4,886	902	10,339
SHARA LLC DBA SHOW PONY	AIR002129	7,675	-	-	7,675
LUCKY SHOE SHINE, LLC	AIR002466	-	3,836	4,321	8,157
MAC-GRAY SERVICES	SEA001479	1,902	1,446	522	3,870
ZEEBA WA, LLC DBA ZEEBA RENT-A-VAN	AIR002226	1,782	1,004	-	2,787
TRICOPIAN DBA FUELROD	AIR002469	-	17	3,347	3,363
SEATTLE RENT A WRECK	AIR001621	2,282	-	-	2,282
PLANEWEAR LLC	AIR002501	-	172	429	601
DELTA AIR LINES INC	AIR001740	-	-	-	-
ALASKA AIRLINES INC	AIR001720	-	-	-	-
UNITED AIRLINES	AIR001725	-	-	-	-
Total		\$12,788,790	\$17,106,815	\$6,207,963	\$36,103,568

* Annualized based on 8/31/2020 actuals.

Appendix E – Aging of Outstanding Issues as of December 10, 2020

Operational, Capital, Information Technology, and Limited Contract Compliance Audits

Type	Audit	Description	Rating	Report Date	Target Date	Days Outstanding (from Report Date)	Months/Year's Outstanding (from Report Date)	Days Outstanding (from Target Date)	Months/Years Outstanding (from Target Date)
Operational Audit	Fishing & Commercial Operations Maritime	Manual Billing Process at risk of error	High	2/23/2018	12/31/2021	1021	More than 2 years	-386	Not Due
IT Audit	AVM/F&I Data Centers	Security Sensitive	High	12/4/2018	No date supplied	737	More than 2 years	N/A	N/A
IT Audit	AVM/F&I Data Centers	Security Sensitive	High	12/4/2018	No date supplied	737	More than 2 years	N/A	N/A
IT Audit	HIPAA Security	Security Sensitive	High	9/4/2019	7/31/2020	463	1-2 years	132	0-6 months
IT Audit	HIPAA Security	Security Sensitive	High	9/4/2019	7/31/2020	463	1-2 years	132	0-6 months
Operational Audit	Airport Employee Access	Security Sensitive	High	9/5/2019	6/30/2020	462	1-2 years	163	0-6 months
Operational Audit	Architecture & Engineering	Determine fair and reasonable	High	12/9/2019	6/30/2020	367	1-2 years	163	0-6 months
Operational Audit	Architecture & Engineering	Management review over max	High	12/9/2019	6/30/2020	367	1-2 years	163	0-6 months
Operational Audit	Architecture & Engineering	Contract accuracy	High	12/9/2019	6/30/2020	367	1-2 years	163	0-6 months
Operational Audit	Ground Transportation - Taxicabs	Reconciliation process	High	12/1/2020	12/31/2020	9	0-6 months	-21	Not Due
IT Audit	ICT Audit - Disaster Recovery	Security Sensitive	Medium	11/29/2017	No date supplied	1107	More than 2 years	N/A	N/A
IT Audit	IT Change Management and Patch Management	Security Sensitive	Medium	12/4/2018	6/30/2019	737	More than 2 years	529	1-2 years
IT Audit	AVM/F&I Data Centers	Security Sensitive	Medium	12/4/2018	No date supplied	737	More than 2 years	N/A	N/A
IT Audit	Security of PII	Security Sensitive	Medium	2/26/2019	12/31/2019	653	1-2 years	345	6-12 months
IT Audit	Security of PII	Security Sensitive	Medium	2/26/2019	3/31/2020	653	1-2 years	254	6-12 months
Operational Audit	Marine Maintenance Shop	Keys and badges tracking	Medium	6/14/2019	12/31/2023	545	1-2 years	-1116	Not Due
Operational Audit	Marine Maintenance Shop	Fleet and fuel internal controls	Medium	6/14/2019	12/31/2023	545	1-2 years	-1116	Not Due
IT Audit	HIPAA Security	Security Sensitive	Medium	9/4/2019	7/31/2020	463	1-2 years	132	0-6 months
IT Audit	HIPAA Security	Security Sensitive	Medium	9/4/2019	7/31/2020	463	1-2 years	132	0-6 months
IT Audit	Closed Network Systems Security	Security Sensitive	Medium	9/5/2019	3/31/2020	462	1-2 years	254	6-12 months
IT Audit	Closed Network Systems Security	Security Sensitive	Medium	9/5/2019	3/31/2020	462	1-2 years	254	6-12 months
IT Audit	Closed Network Systems Security	Security Sensitive	Medium	9/5/2019	6/30/2020	462	1-2 years	163	0-6 months
IT Audit	Inventory and Control of Hardware Assets	Security Sensitive	Medium	11/12/2019	6/30/2023	394	1-2 years	-932	0-6 months
Operational Audit	Architecture & Engineering	Governance	Medium	12/9/2019	6/30/2020	367	1-2 years	163	0-6 months
IT Audit	Network Password Management	Security Sensitive	Medium	3/20/2020	12/31/2022	265	6-12 months	-751	0-6 months
IT Audit	Network Password Management	Security Sensitive	Medium	3/20/2020	9/30/2020	265	6-12 months	71	0-6 months
IT Audit	Network Password Management	Security Sensitive	Medium	3/20/2020	12/31/2020	265	6-12 months	-21	0-6 months
IT Audit	Secure Configuration for Hardware and Software on Mobile Devices, Laptops, Workstations and Servers	Security Sensitive	Medium	8/21/2020	12/31/2021	111	0-6 months	-386	0-6 months
IT Audit	Secure Configuration for Hardware and Software on Mobile Devices, Laptops, Workstations and Servers	Security Sensitive	Medium	8/21/2020	12/31/2020	111	0-6 months	-21	0-6 months
IT Audit	Secure Configuration for Hardware and Software on Mobile Devices, Laptops, Workstations and Servers	Security Sensitive	Medium	8/21/2020	12/31/2021	111	0-6 months	-386	0-6 months
IT Audit	Malware Defenses	Security Sensitive	Medium	9/4/2020	6/30/2021	97	0-6 months	-202	0-6 months
IT Audit	Malware Defenses	Security Sensitive	Medium	9/4/2020	6/30/2021	97	0-6 months	-202	0-6 months
Capital Audit	AOA Perimeter Fence	Liquidated damages	Medium	9/8/2020	12/31/2020	93	0-6 months	-21	Not Due
Capital Audit	AOA Perimeter Fence	Design Process	Medium	9/8/2020	12/31/2020	93	0-6 months	-21	Not Due
Lease and Concession Audit	Concourse Concessions LLC	RE-2 policy review	Medium	9/10/2020	12/31/2020	91	0-6 months	-21	Not Due
Capital Audit	Central Terminal Infrastructure Upgrade	Add'l costs & scheduling delays	Medium	11/24/2020	6/30/2021	16	0-6 months	-202	Not Due
IT Audit	Inventory and Control of Software Assets	Security Sensitive	Medium	11/24/2020	12/31/2021	16	0-6 months	-386	0-6 months
IT Audit	Inventory and Control of Software Assets	Security Sensitive	Medium	11/24/2020	12/31/2021	16	0-6 months	-386	0-6 months
IT Audit	Inventory and Control of Software Assets	Security Sensitive	Medium	11/24/2020	12/31/2021	16	0-6 months	-386	0-6 months
IT Audit	Network Password Management	Security Sensitive	Low	3/20/2020	12/31/2020	265	6-12 months	-21	0-6 months
Lease and Concession Audit	Concourse Concessions LLC	Percentage fees due to Port	Low	9/10/2020	12/31/2020	91	0-6 months	-21	Not Due