

**CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**SINGLE AUDIT REPORT**

June 30, 2025

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY  
Austin, Texas  
June 30, 2025

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

Members of the Board of Directors  
Central Texas Regional Mobility Authority  
Austin, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Central Texas Regional Mobility Authority (the Authority) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated October 31, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying *schedule of findings* as items 2025-001 and 2025-002 that we consider to be material weaknesses.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## The Authority's Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on the Authority's response to the findings identified in our audit and described in the accompanying *schedule of findings and questioned costs*. The Authority's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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Crowe LLP

Dallas, Texas  
October 31, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Members of the Board of Directors  
Central Texas Regional Mobility Authority  
City of Austin, Texas

**Report on Compliance for Major Federal Program**

***Opinion on Major Federal Program***

We have audited the Central Texas Regional Mobility Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on the Authority's major federal program for the year ended June 30, 2025. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

***Basis for Opinion on Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs.

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## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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(Continued)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of each major fund, and the aggregate remaining fund information of the Authority as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated October 31, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in black ink that reads "Crowe LLP". The signature is stylized, with the "C" being large and looping, and the "LLP" being written in a more straightforward, blocky style.

Crowe LLP

Austin, Texas  
December 4, 2025

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
June 30, 2025

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<u>Federal grantor/pass-through grantor/program title</u>	<u>Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
<b><u>U.S. Department of Transportation</u></b>			
Transportation Infrastructure Finance and Innovation Act (TIFIA) Program	20.223	N/A	\$ 106,712,890
Total TIFIA Program			<u>106,712,890</u>
<b>Total Federal Expenditures</b>			<u><u>\$ 106,712,890</u></u>

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See accompanying notes to schedule of expenditure of federal awards.



## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Reporting Entity**

The Schedule of Expenditures of Federal Awards (the Schedule) includes the activity of all federal programs administered by Central Texas Regional Mobility Authority (the Authority). Because this schedule presents only a selected portion of the operations of the Authority, it is not intended to, and does not, present the financial position, changes in net position or cash flows of the Authority.

### **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Central Texas Regional Mobility Authority (the "Authority") for the year ended June 30, 2025. The Authority's reporting entity is defined in Note 1 of the Authority's Annual Financial Report. The accompanying notes are an integral part of this Schedule. All federal awards received directly by the primary government from federal agencies are included in the scope of the Federal Single Audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and are included on the Schedule of Expenditures of Federal Awards. There were no funds passed to subrecipients.

### **Basis of Accounting**

The expenditures for the federal financial assistance program are presented on the accrual basis of accounting.

## **NOTE 2 – INDIRECT COST RATE**

The Authority uses the applicable federally negotiated indirect cost rate and has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

## **NOTE 3– LOANS**

In February 2021, the Authority entered into a secured loan agreement (the 2021A TIFIA Loan Agreement) with the United States Department of Transportation, pursuant to which the Authority is authorized to borrow an aggregate amount not to exceed \$448,383,623 (the 2021A TIFIA Loan), excluding interest that is capitalized, to pay or reimburse the Authority for eligible project costs of the 183 South Project, the 290E Phase III Project and the 183A Phase III Project. The 2021A TIFIA Loan is comprised of the 183-S Tranche (in an aggregate principal amount not to exceed \$302,980,387 relating to the 183 South Project), the Manor Expressway Tranche (in an aggregate principal amount not to exceed \$38,690,346 relating to the 290E Phase III Project) and the 183A Tranche (in an aggregate principal amount not to exceed \$106,712,890 relating to the 183A Phase III Project).

The Authority's obligations to repay amounts borrowed under the 2021A TIFIA Loan Agreement are evidenced by the Authority's Subordinate Lien Revenue Bonds, Taxable Series 2021A (the 2021A TIFIA Bonds). The 2021A TIFIA Bonds are comprised of the 183-S TIFIA Bond (which evidences the Authority's obligations with respect to the 183-S Tranche of the 2021A TIFIA Loan), the Manor Expressway TIFIA Bond (which evidences the Authority's obligations with respect to the Manor Expressway Tranche of the 2021A TIFIA Loan) and the 183A TIFIA Bond (which evidences the Authority's obligations with respect to the 183A Tranche of the 2021A TIFIA Loan).

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CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
June 30, 2025

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The 183-S TIFIA Bond, the Manor Expressway TIFIA Bond and the 183A TIFIA Bond bear interest at 2.19%, 2.20% and 2.20% per annum, respectively. The final maturity date of the 183-S TIFIA Bond is January 1, 2049. The final maturity date of the Manor Expressway TIFIA Bond is January 1, 2054. The final maturity date of the 183A TIFIA Bond will be the earlier of (a) the date that is thirty-five (35) years from the date of substantial completion of the 183A Phase III Project and (b) January 1, 2055.

Payments of principal and interest on the 2021A TIFIA Bonds are payable each January 1 and July 1, commencing on July 1, 2024, for the 183-S TIFIA Bond, January 1, 2025, for the Manor Expressway TIFIA Bond, and January 1, 2029, for the 183A TIFIA Bond.

The Authority has received 2021A TIFIA loan proceeds from the 183-S Tranche of approximately \$282.2 million and the Manor Expressway Tranche of \$38.6 million, which were used to refinance certain outstanding obligations of the Authority relating to the 183 South Project and the 290E Phase III Project. The Authority has received loan proceeds from the 183A Tranche of the 2021A TIFIA Loan of approximately \$106.7 million, which were used to provide long-term financing for the 183A Phase III Project.

As of June 30, 2025, the Manor Expressway TIFIA Bond had an outstanding balance of \$41.1 million, which included accreted interest of approximately \$2.4 million. As of June 30, 2025, the 183-S TIFIA Bond had a balance outstanding of \$322.4 million which included accreted interest of approximately \$19.4 million. As of June 30, 2025, the 183A Phase III TIFIA Bond had an outstanding balance of \$106.7 million.

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2025

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**Section I - Summary of Auditor's Results**

***Financial Statements***

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?                        X   Yes                             No

Significant deficiency(ies) identified?                             Yes                        X   None Reported

Noncompliance material to financial  
statements noted?                             Yes                        X   No

***Federal Awards***

Internal Control over major program:

Material weakness(es) identified?                             Yes                        X   No

Significant deficiency(ies) identified?                             Yes                        X   None Reported

Type of auditor's report issued on compliance for major program: Unmodified

Any audit findings disclosed that are required to be  
disclosed in accordance with the Uniform Guidance?                             Yes                        X   No

Identification of major program:

**Assistance Listing Numbers**

20.223

**Name of Federal Program or Cluster**

Transportation Infrastructure Finance and  
Innovation Act (TIFIA) Program

Dollar threshold used to distinguish between  
Type A and Type B programs:                      \$750,000

Auditee qualified as low-risk auditee?                             Yes                        X   No

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## Section II - Financial Statement Findings

### Finding #: 2025-001 Information Technology

#### Type of Finding: Material Weakness

**Criteria:** An organization should establish and maintain a comprehensive system of internal control over information technology, including all financially significant systems, that is appropriately designed and implemented to provide reasonable assurance that misstatements in the financial statements are prevented, or detected and corrected, on a timely basis in the normal course of operations. An effective IT control environment includes both general and application controls that function as intended to ensure the confidentiality, integrity, and availability of financial data processed through the organization's information systems. Formal, documented IT policies and procedures—encompassing areas such as system access, change management, data integrity, cybersecurity, and disaster recovery—are essential components of this control framework. These controls and related policies serve to promote reliable financial reporting, safeguard digital and financial assets, and support the overall effectiveness of the organization's internal control system.

**Condition:** The organization's IT controls and related policies are inadequately documented, inconsistently applied, and not subject to regular review. Key gaps include the absence of formal, annually reviewed Information Security and Change Management policies; insufficient oversight of user and privileged access; weak password management and log monitoring; and infrequent review of physical and backup access controls. Change processes lack proper authorization and testing, and management does not routinely review SOC reports or verify complementary user controls. Collectively, these weaknesses indicate a lack of consistent governance over IT operations and increase the risk of unauthorized access, data compromise, and operational disruption.

**Cause:** Internal controls, policies, and procedures around information technology are either lacking, are not properly or periodically reviewed and have not been formalized in writing.

**Effect or potential effect:** Failure to address the identified IT control weaknesses could expose the Authority to significant operational, security, and compliance risks. Inadequate formalization and review of the Information Security Policy may result in inconsistent control implementation and noncompliance with regulatory requirements. Unrestricted or poorly monitored privileged-level access — including shared or generic accounts — could lead to unauthorized system activity, lack of accountability, and potential data compromise. Weak password management practices and the absence of periodic review of authentication parameters heighten the risk of unauthorized access and system breaches. Furthermore, insufficient monitoring and review of privileged activity logs could delay the detection of anomalous or malicious behavior, hindering timely corrective actions. Collectively, these deficiencies undermine the organization's ability to safeguard critical information assets, maintain operational integrity, and demonstrate sound governance over IT controls.

**Recommendation:** Management should enhance governance and oversight of key information security processes. The Information Security Policy should be formalized, reviewed, and communicated to ensure consistent implementation of control standards. Privileged-level access — including shared, service, and generic accounts — should be periodically reviewed, restricted, and properly authorized to maintain accountability and reduce the risk of misuse. Password and authentication parameters should be aligned with industry best practices and reviewed regularly to ensure adequate protection against unauthorized access. Additionally, privileged activity logs should be actively monitored and reviewed to detect and respond to unusual or unauthorized actions in a timely manner. Collectively, these steps will help improve control effectiveness, strengthen the organization's security posture, and demonstrate continued commitment to sound IT governance and compliance. We recognize that the level of management staffing may impact certain processes, procedures, and internal controls, however, management should consider this impact and add or adjust internal controls in response to this factor.

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(Continued)

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2025

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**Views of responsible officials and planned corrective actions:** See Corrective Action Plan.

**Indication of repeat finding:** Yes. Outstanding since 2023.

**Finding #: 2025-002 Segregation of Duties – Journal Entries**

**Type of Finding:** Material Weakness

**Criteria:** An organization should design and implement controls that provide reasonable assurance that transactions are properly authorized, recorded, and reviewed. Specifically, segregation of duties requires that no individual has control over all aspects of a financial transaction — including initiation, authorization, recording, and review — to prevent errors and potential fraud. Such controls should be formalized in written policy.

**Condition:** Individuals at the Authority have the ability to both prepare and post journal entries without independent review or documented approval. There is no policy or procedure governing the creation, approval, or posting of journal entries. As a result, journal entries can be entered and posted directly to the general ledger by the same individual, with no secondary verification or evidence of review. Additionally, other errors were noted in accounts receivable, debt amortization schedules and net position calculations which had not been corrected by a reviewer.

**Cause:** Navision, the system used for general ledger does not have any internal system-based controls for segregation of duties and management has not addressed this limitation by establishing or enforcing a policy to segregate duties related to journal entry preparation and posting. Additionally, there is no formal oversight process requiring independent review or approval of journal entries prior to posting.

**Effect or potential effect:** The absence of segregation of duties and lack of review controls increases the risk of:

- Material misstatements in the financial statements, whether due to error or fraud.
- Unauthorized or inappropriate journal entries being recorded.
- Reduced accountability and transparency in financial reporting processes

This issue is pervasive and affects all areas of financial reporting where journal entries are utilized to record or adjust transactions.

**Indication of repeat finding:** No.

**Recommendation:** Management should develop and implement a formal policy governing the preparation, review, and posting of journal entries. Duties should be segregated so that individuals who prepare journal entries cannot post them without independent review and approval. Documentation and retention procedures should be established to ensure all journal entries, and their supporting reviews are properly maintained for audit and management review.

We recognize that the level of management staffing may impact certain processes, procedures, and internal controls, however, management should consider this impact and add or adjust internal controls in response to this factor.

**Views of responsible officials and planned corrective actions:** See Corrective Action Plan

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(Continued)

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2025

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**Section III - Federal Award Findings and Questioned Costs**

There were no findings for the year ended June 30, 2025.

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
June 30, 2025

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**Prior year Financial Statement Finding:**

**Data Platform – Information Technology**

A key to supporting a controlled environment is the effective design of internal controls and the formal documentation that supports the effectiveness of the internal processes. The Authority's current internal controls may be operating as designed; however, formal documentation to support the operating effectiveness of controls is not readily available. The standards and procedures that govern the processing environment's daily activities and results (such as security, program maintenance, programming, and testing standards) are also not formally documented. The Information Security Policy is not formalized, reviewed, and approved by management on an annual basis. For certain supporting systems of the data platform; the documentation and support for processing the environment's daily activities should include documentation to support the results of the following:

- Logical Security (i.e., new and modified access, terminated access, user access reviews, privileged activity reviews, passwords)
- Change Management (i.e., change management policy/procedures, process for changes to financial systems at all levels including request, testing, and approval)
- Computer Operations (i.e., data backup monitoring, restoration testing)
- SOC 1 Type II Reports (i.e., management's review over SOC reports and bridge letter, Complimentary User Entity Control (CUEC) mapping)

**Status:** Not corrected.



## **Corrective Action Plan**

October 31, 2025

### **Financial Statement Findings**

#### **Finding #: 2025-001 Information Technology**

**Type of Finding:** Material Weakness

#### **Management's Official Response**

**Planned Corrective Actions:** The Authority will ensure the Director of IT works with SIGMA and internal staff to ensure the following items are addressed:

- Enhances governance and oversight of key information security processes.
- Privileged-level access — including shared, service, and generic accounts will be periodically reviewed, restricted, and properly authorized to maintain accountability and reduce the risk of misuse.
- Password and authentication parameters will be aligned with industry's best practices and reviewed regularly to ensure adequate protection against unauthorized access.
- Privileged activity logs will be actively monitored and reviewed to detect and respond to unusual or unauthorized actions in a timely manner.
- The Information Security Policy will be formalized, reviewed, and communicated to ensure consistent implementation of control standards.
- Document the recommended business policies and procedures. The corresponding documents will be incorporated into one user manual that will be available to all relevant staff members via the Authority's SharePoint site. Review of and revisions to the user manual will be made annually to ensure the manual is current.
- Establishes an internal or outsourced security administrator to be responsible for logical access controls, designing policies, and procedures to coordinate and maintain the user manual updates.

**Anticipated completion date:** By the end of the current fiscal year 2026.

#### **Responsible Official:**

- Greg Mack, Director of IT, 512-450-6315
- Cory Bluhm, Toll operations and IT manager, 979-220-2551

3300 North IH-35, Suite 300 Austin, Texas 78705

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Robert W. Jenkins, Jr., Chairman • Nikelle S. Meade, Vice-Chair • David Singleton, Treasurer • Mike Doss, Secretary  
David B. Armbrust • Heather Gaddes • Ben Thompson • James Bass, Executive Director





**Finding #: 2025-002 Segregation of Duties – Journal Entries**

**Type of Finding:** Material Weakness

**Management's Official Response**

**Planned Corrective Actions:** The Authority immediately took corrective action upon discussion with the Crowe Audit team to explore options to address the absence of segregation of duties and lack of controls around Navision journal entries and the lack of a documented procedure around the creation, approval, or posting of journal entries.

**Anticipated completion date:**

- Navision controls were implemented for manual journal entries on October 24, 2025. This involved enabling the workflow approval function in Navision. For journal entries prior to October 24, 2025, summary reports were run detailing the manual journal entries posted. These reports will be reviewed and signed by the Controller by November 30, 2025, ensuring entries posted were applicable.
- A Journal Entry procedure will be created and implemented no later than February 2026.

**Responsible Officials:**

- José Hernández, Chief Financial Officer, 512-636-4879
- Ann Zigmund, Controller, 737-615-4339

3300 North IH-35, Suite 300 Austin, Texas 78705

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Robert W. Jenkins, Jr., Chairman • Nikelle S. Meade, Vice-Chair • David Singleton, Treasurer • Mike Doss, Secretary  
David B. Armbrust • Heather Gaddes • Ben Thompson • James Bass, Executive Director