



CITY OF ORLANDO

Office of Audit Services and Management Support

MEMORANDUM

To: Roger Neiswender, Director of Transportation

From: Beryl H. Davis, CPA, CGFM, Director
Office of Audit Services and Management Support

Re: Follow-Up Review of Audit of Parking Division - Centroplex Event Parking
(Report No. 08-12)

Date: July 18, 2008

Attached is a summary of the status of recommendations as determined from our follow-up review of the Audit of Parking Division – Centroplex Event Parking (*Report No. 07-15*), issued July 20, 2007. Our review procedures consisted of a review of the status of the recommendations provided by management of the Parking Division, inquiries of management, and examination of certain documents.

Our follow-up was made in accordance with generally accepted government auditing standards. The standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives.

Eight of the nine recommendations in the original report were implemented. One recommendation has been partially implemented, and is expected to become fully implemented in November 2008, when the Division's changes to its Standard Operating Procedures are complete and copies have been made available to employees.

We would like to thank officials and personnel of the Parking Division for their cooperation during this follow-up review.

We conduct a quarterly follow-up of all the citywide recommendations that have not been fully implemented, to determine their implementation status, and we encourage the management of the Parking Division to fully implement the remaining recommendation.

Laurel Stevenson, Auditor III, performed this follow-up review under the supervision of Mona Mellon, Audit Program Manager.

BHD/am
Attachment

c: Honorable Buddy Dyer, Mayor
Byron W. Brooks, Chief Administrative Officer
Kevin J. Edmonds, Deputy Chief Administrative Officer
Deborah D. Girard, Deputy Chief Administrative Officer
Brie N. Turek, Chief of Staff
Mayanne Downs, City Attorney
Rebecca W. Sutton, Chief Financial Officer
W. Allen Johnson, Centroplex Director
Scott Zollars, Parking Division Manager

REPLY AND IMPLEMENTATION SUMMARY
FOLLOW-UP REVIEW OF AUDIT OF PARKING DIVISION – CENTROPLEX EVENT PARKING

#	RECOMMENDATIONS	RESPONSE	CURRENT STATUS	IMPLEMENTATION DATE	AUDITEE COMMENTS
	The Parking Division should:				
1.	Generate routine billings to Standard (by event, monthly, or quarterly) for theft and cash discrepancies as provided in §6.25 of the contract. (MEDIUM)	Concur	Implemented	August 2007	Standard has been billed for discrepancies quarterly. Billing will switch to a monthly cycle as the contract rebidding cycle approaches in Fall 2008. The two-part hand issue ticket system and use of bar code scanners for prepaid tickets has virtually eliminated net negative cash discrepancies.
2.	Track discrepancy reports cumulatively by employee to ensure proper disciplinary action is taken per Standard's policy. (LOW)	Concur	Implemented	November 2007	A report of discrepancies by employee is provided to Standard after each event. A follow up communication is send to Standard to ensure that disciplinary action has been taken.
3.	Compare expected revenue to actual cashier-reported revenue for each event as a reasonableness test and immediately investigate any significant variations. (HIGH)	Concur	Implemented	November 2007	Pre-sold volume is reviewed prior to each event to determine space inventory available for sale, and related expected revenue. A post-event analysis is done, and any significant variances are investigated.

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FOLLOW-UP REVIEW OF AUDIT OF PARKING DIVISION – CENTROPLEX EVENT PARKING

4.	Provide general comments for each event for use by the Parking and Centroplex Department managements to assess the overall event results. (MEDIUM)	Concur	Implemented	August 2007	Event summaries are provided following each event and discussed in weekly and monthly meetings with Centroplex management. In addition, all major events are reviewed on an individual basis.
5.	Develop alternative procedures to provide a reasonableness test of reported revenues when the electronic counters malfunction. (MEDIUM)	Concur	Implemented	November 2007	<p>When electronic counters are down, and also as a matter of routine, Supervisors conduct a physical count and inspection of vehicles parked to ensure that a permit or pre-paid or pay upon entry ticket is displayed in the vehicle when parked.</p> <p>The requirement for display of a parking receipt was introduced with the two-part ticket system. (See Recommendation #1)</p>
6.	Meet with Standard Parking management to enforce background check requirements and develop monitoring processes to ensure background checks are performed in compliance with the contract terms. (HIGH)	Concur	Implemented	September 2007	The Parking Operations Program Manager reviews and verifies background checks for 7 to 10 randomly selected Standard employees each month.
7.	Explore alternative options to the perforated tickets and consider the elimination of the current perforated permit stock. (MEDIUM)	Concur	Implemented	March 2008	<p>Alternative two part secure tickets replaced the perforated tickets as ticket stock was re-ordered.</p> <p>Remaining old perforated ticket stock and complimentary ticket stock was recorded and destroyed in April 2008.</p>

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FOLLOW-UP REVIEW OF AUDIT OF PARKING DIVISION – CENTROPLEX EVENT PARKING

8.	Follow-up the barcode scanner equipment status with Centroplex Department management and consider pursuing other alternatives if the current equipment will not be functional. (HIGH)	Concur	Implemented	January 2008	All bar code scanning equipment is now functional, following some initial technical setbacks.
9.	Update the written Standard Operating Procedures, reflect revision date(s) and approval, and establish a process for staff acknowledgement that the procedures have been received and/or location known. (MEDIUM)	Concur	Partially Implemented	November 2008	The revised written Standard Operating Procedures Manual is targeted for completion in July 2008. A copy will be provided for each employee to review, and will be stored on site for reference. A written acknowledgement of receipt will be obtained from all City and contract staff.