

ITEM #43

ADDITIONAL MATERIAL

Regular Meeting

MARCH 31, 2020

SUBMITTED AT THE REQUEST OF

AVIATION DEPARTMENT

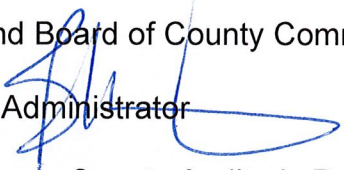


AVIATION DEPARTMENT - Fort Lauderdale/Hollywood International Airport
2200 S.W. 45 Street • Dania Beach, Florida 33312 • 954-359-6100

MEMORANDUM

DATE: March 23, 2020

TO: Mayor, Vice Mayor, and Board of County Commissioners

FROM: Bertha Henry, County Administrator 

SUBJECT: Management Response to County Auditor's Review of Airport Parking Revenues and Parking Information Systems (Report 20-11); **Additional Material associated with Agenda Item Number 43.**

The County Auditor's Office ("Auditor") conducted a follow-up review of their Review of Airport Parking Revenues and Parking Information Systems (Report 17-11).

County Administration and the Broward County Aviation Department ("BCAD") have reviewed the March 4, 2020, Follow-up Review of Airport Parking Revenues and Parking Information Systems (Report 20-11), hereinafter referred to as the "review".

The review concluded that of the 23 recommendations identified in the original report, the Auditor determined that 16 were identified as "Implemented" and seven were identified as "Partially Implemented." The Auditor further commended management for implementing their recommendations.

We thank the Auditor for commending the efforts of management in implementing the recommendations, noting additional information, however, we have additional information and/or disagreement with some of the findings associated with the items identified as "partially Implemented" in the review.

The following is Management's response to the Auditors review specifically as it relates to the items identified as "Partially Implemented."

Auditor

Recommendation #1 – BCAD to work with SP+ and HUB to separate incompatible duties so that more than one individual is responsible for completing a process or transaction.

Partially implemented.

Management has implemented new procedures to provide additional segregation; however, the following duties of Employee Parking Clerks in the SP+ office are not adequately segregated:

1. access to the inventory of the returned used Proximity Cards;
2. issuance of Proximity Cards; and
3. opening/closing of tenant employees' accounts in PARIS Application.

We encourage management to work with SP+ to further separate and strengthen segregation of the incompatible duties so that more than one individual has:

- A. Ability to issue Proximity Cards;
- B. Access to Proximity Card inventory; and
- C. Ability to open and close tenant employees accounts.

Management Response:

The procedure was changed on January 13, 2020 to eliminate the recycling of used Proximity Cards. Cards are deactivated and destroyed upon return with minimal cost to BCAD. There is no longer any inventory of used Proximity Cards.

Additionally, the use of the PARIS software (the proximity card activation system) was discontinued providing for further segregation of duties. Data formerly in PARIS software has been consolidated with the existing Parking and Revenue Control System. In this consolidated system there are controls in place to prevent Parking Clerks from mishandling payments and card issuance, such as maintaining a record of card activations and payments received or billed. These activities are reconciled daily by a separately staffed SP+ auditing team.

Auditor

Recommendation #2 -

BCAD to work with SP+ and HUB to install cash registers as required by the parking management agreement.

Partially Implemented.

SP+ implemented cash registers in response to our recommendation, but then discontinued their use when they eliminated cash as a method of payment. SP+ currently accepts checks and credit card payments. Management has indicated that the business decision to discontinue the use of cash registers was to shorten transaction time and improve the customer experience. Management further has indicated that credit card and check payments can be currently tracked using existing report details which will be tracked easier when a new computer system is installed in the first quarter of 2020 that would allow payments to be entered directly into the parking and revenue control system. We encourage SP+ to continue the use of cash registers in order to maintain accountability.

Management Response:

Cash registers were implemented as part of the original recommendation. The decision was made to eliminate cash as a method of payment due to its lack of use and in order to shorten transaction time and improve the customer experience. As a result, the cash registers were removed. While cash is no longer accepted, check is accepted as a last resort, so the number of such transactions is minimal. Checks are controlled through the issuance of a receipt to the

customer; therefore, the transaction doesn't require a cash register. New computer terminals are being installed the second quarter of 2020 that will allow payments to be entered directly into the revenue control system.

Auditor

Recommendation #3 - BCAD to work with SP+ and Hub to follow County policies and procedures for accounts receivables, including write-off of uncollectible accounts.

Partially implemented. SP+ has implemented procedures to follow-up on collections and provide outstanding receivable reports to BCAD Finance; however, write-off procedures do not comply with the County policies and procedures.
We again recommend that management follow County policies and procedures for write-off of uncollectible accounts.

Management Response:

Effective October 2019, BCAD Finance is now following County Administrative Policy and Procedures (CAPP) procedures and have analyzed the FY2019 accounts receivable reports and have set aside funds for write-offs. This procedure is now being completed annually.

Auditor

Recommendation #4 - BCAD to work with SP+ and HUB to document procedures for the management of issued and unissued Proximity and DP cards to ensure that:

Not Implemented. (b) issuance procedures are not adequate to preclude an employee from having more than one proximity Card.

Management Response:

BCAD has implemented procedures. Unfortunately, one card out of 13,000 issued (or .001%) was inadvertently missed. Every effort is made by the staff to identify and prevent duplication and validate each employee's information.

Auditor

Recommendation #11 - BCAD to work with SP+ ensure that parking fees are collected or waived only as authorized by Chapter 39.2 of the Administrative Code.

Partially Implemented. BCAD management, working with the County Attorney's Office, has drafted a proposed amendment to Chapter 39.2 of the Administrative Code to authorize the current practice of collecting and waiving specific fees; however, the proposed amendment has not yet been approved by the Board. Management has indicated that submission to the Board is expected in early 2020.

Management Response:

Agree. BCAD's practice has been to waive the \$35 replacement fee for stolen Proximity or DP cards if a police report is provided. BCAD will submit the agenda item with proposed changes to Chapter 39.2 of the Administrative Code to the Commission for approval before the Board goes into summer recess.

Auditor

Recommendation #12 -

BCAD to work with SP+ and HUB to evaluate the continued suitability of the primary location for production parking information systems.

Partially Implemented.

BCAD management has installed a new air conditioning unit in the primary server room to improve airflow. However, due to the original building design, upgrading the remaining environmental controls is cost prohibitive. Management should evaluate the continued suitability of the primary location for production parking information systems.

Management Response:

Management agrees with the recommendation and has evaluated the full relocation of the server room as part of future airport infrastructure improvements associated with the Airport's Master Plan. In the interim, the primary server room has been supplemented with upgraded air conditioning and UPS units. In addition, redundant parking information servers have been added to the Terminal 4 communications room.

Auditor

Recommendation #15 -

BCAD to work with SP+ and HUB to ensure that application, network, and database security features comply with County information security policies.

Partially implemented.

Due to current system limitations the PARIS and FXCR applications do not meet County security requirements BCAD has documented these concerns with the current vendor and is seeking, through issuance of an RLI, a replacement for the parking access revenue control systems that meet all current County guidelines.

Management Response:

BCAD has discontinued use of the PARIS software (proximity card activation system). However, due to system limitations, a vulnerability still exists in FXCR application. An RLI has been issued for a new revenue control system, which includes required language to resolve this vulnerability, anticipated to occur later this year. Meanwhile, BCAD has reiterated best practices procedures must be followed until such time as the full solution is in place.

Should there be any questions, please do not hesitate to contact me.

c: Robert Melton, County Auditor
Andrew Meyer, County Attorney
Monica Cepero, Deputy County Administrator
Kimm R. Campbell, Acting Assistant County Administrator
Mark Gale, Aviation Director