

**DEPARTMENT OF PUBLIC WORKS
PARKING DIVISION
PARKING ENFORCEMENT
AUDIT 06-16
OCTOBER 5, 2006**



CITY OF TAMPA

Pam Iorio, Mayor

Internal Audit Department

Roger Strout, Internal Audit Director

October 5, 2006

Honorable Pam Iorio
Mayor, City of Tampa
1 City Hall Plaza
Tampa, Florida

RE: Parking Enforcement, Audit 06-16

Dear Mayor Iorio:

Attached is the Internal Audit Department's report on Parking Enforcement.

We thank the management and staff of the Parking Division and the Technology and Innovation Department for their cooperation and assistance during this audit. With the assistance and support of the Technology and Innovation Department, we were able to test all activity records rather than just a sample, which allows additional reliance to be placed on the results of the tests and the conclusions drawn from them.

Sincerely,

Roger Strout
Internal Audit Director

cc: Bonnie Wise, Revenue & Finance Director
Darrell Smith, Chief of Staff
Steve Daignault, Public Works and Utility Services Administrator
Irvin Lee, Public Works Director
Jim Corbett, Parking Division Manager
James Buckner, Technology and Innovation Department Director

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Auditor



Audit Supervisor



Audit Director

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INTRODUCTION

The On-Street Parking Section of the Public Works Department's Parking Division is responsible for the enforcement of municipal parking ordinances. This is accomplished by its Parking Enforcement Unit issuing citations for vehicles violating any of the provisions of City of Tampa Code, Chapter 15. The Parking Division's Administrative Section is responsible for administering, processing, and collecting penalties for parking violations written by the Unit and other authorized enforcement agencies.

Over 130,000 citations are issued annually. Most are issued for expired meters and parking in handicapped or no parking areas. Revenues generated by parking citations exceeded \$3 million for the past two fiscal years and is on track to do so again in FY06.

Violators pay associated penalties in person, through the mail, or via the Internet. When accounts become delinquent, notices are mailed. If unresolved, they are eventually turned over to a collection agency. Failure to settle outstanding parking violations could result in the suspension of vehicle registration renewal, vehicle immobilization, and/or impoundment and sale.

STATISTICS

	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>
Tickets Issued	144,175	131,496	130,185
Fines Assessed	\$3,948,511	\$3,520,161	\$3,518,712
Tickets Paid	97,662	90,586	90,273
Revenues	\$3,229,046	\$3,059,301	\$3,156,096

Source: Parking Violation System, System Statistics Reports (PVD080) and the City's financial system (FAML6750). FY06 figures were annualized.

STATEMENT OF OBJECTIVES

This audit was conducted in accordance with the Internal Audit Department's FY06 Audit Agenda. The objectives of this audit were to ensure that:

1. Revenues were reasonable given the number of citations issued and collection efforts.

2. Voided citations were valid and properly authorized.
3. Refunds were accurately calculated and properly authorized.
4. All unmatched license tags were adequately researched and the Parking Violation System was updated with any resulting ownership data obtained.
5. Delinquent accounts placed with the collection agency were complete.

STATEMENT OF SCOPE

The audit period covered parking enforcement activity that occurred from October 1, 2005, to March 31, 2006. Source documentation was obtained from Parking Division and collection agency files. Original records as well as copies were used as evidence and verified through physical examination.

STATEMENT OF METHODOLOGY

Because of the availability of electronic files, tests of unmatched license tags and delinquent accounts placed with the collection agency were conducted on all activity recorded during the audit period. Random sampling was used for tests of citation voids and refunds to improve the overall efficiency of the audit.

To achieve the audit's objectives, reliance was placed on computer-processed data contained in the City's financial and parking violation systems and certain database files maintained by the Parking Division. The City's financial system was previously determined to be reliable and no additional work was necessary. We assessed the reliability of the data contained in the Parking Violation System and the Parking Division's database files and conducted sufficient tests of the data contained in each of them. Based on these assessments and tests, we concluded the data was sufficiently reliable to be used in meeting the audit's objectives.

STATEMENT OF AUDITING STANDARDS

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to afford a reasonable basis for our judgments and conclusions regarding the organization, program, activity, or function under audit. An audit also includes assessments of applicable internal controls and compliance with requirements of laws and regulations when necessary to satisfy the audit objectives. We believe that our audit provides a reasonable basis for our conclusions.

AUDIT CONCLUSIONS

Based upon the test work performed and the audit findings noted below, we conclude that:

1. Revenues appeared reasonable given the number of citations issued and collection efforts; however, additional efforts may result in increased revenues.
2. Voided citations were properly authorized, but their validity was not always supported.
3. Refunds were accurately calculated and properly authorized.
4. All unmatched license tags were adequately researched and the Parking Violation System was updated with any resulting ownership data obtained.
5. Delinquent accounts placed with the collection agency were complete.

While the findings discussed below may not, individually or taken together, significantly impair the operations of the Parking Division, they do present risks that can be more effectively controlled.

ADMINISTRATIVE HOLDS

Florida Statute, 316.1967 (6), Liability for payment of parking ticket violations and other parking violations, states that

Any county or municipality may provide by ordinance that the clerk of the court or the traffic violation bureau shall supply the department (Department of Motor Vehicles) with . . . data . . . , listing persons who have three or more outstanding parking violations, including violations of s. 316.1955 (violations relating to requirements for persons who have disabilities).

Tampa City Code, Chapter 15-125 (c) states that

The clerk of the circuit court and the county court, or the parking division shall supply the state department of highway safety and motor vehicles with a magnetically encoded computer tape reel or cartridge, which is machine readable by the installed computer system at the department, listing persons who have three (3) or more outstanding parking violations of Florida State Statute 316.1955 or 316.1986. The provision of Florida State Statute 320.03 shall apply to each person whose name appears on the list.

Pursuant to F.S. 320.03 (8), when an applicant's name appears on the list, the Department of Motor Vehicles suspends their ability to obtain a license plate or revalidation sticker until that person's name no longer appears on the list or presents a receipt showing that the fines outstanding have been paid.

While the Parking Division uses these laws to place "Administrative Holds" on delinquent accounts, collection notices (generated by the Parking Division and the collection agency) do not include any reference that it has the authority to impose this penalty. According to collection agency reports, the Parking Division turned over \$627,464 of delinquent accounts in 2005. The inclusion of a reference to the penalty should motivate additional compliance and increase revenues. Every percent reduction in accounts turned over to the collection agency results in increased revenues of approximately \$6,200. If 10 percent of the delinquent accounts were paid based on this motivation, before being turned over, an additional \$62,000 of revenue could be realized by the City.

RECOMMENDATION 1

Collection notices (both in-house and collection agency) should be revised to include references to applicable Florida Statutes that allow the City to suspend the renewal of vehicle registrations when outstanding fines have not been paid. A separate insert should be used until the current stock of notices is exhausted.

AUDITEE RESPONSE

The Parking Division concurs. The Division feels the need to properly define the language describing an “Administrative Hold” pertaining to suspension of vehicle registration renewal privileges. The Division will forward this language to the City’s Technology and Innovation Department once complete. The insert will be sent with the following four types of collection notices:

- Rental Car Notice
- Notice of Delinquent Parking Tickets
- Hillsborough County Court Summons
- Immobilization/Impoundment Notice

PASSWORD SHARING

Network and data security at the City of Tampa are highly dependent on the security of users' passwords. Passwords are used to authenticate identity, protect computers, files, and email accounts, and protect the integrity of important systems and services, such as the City's financial system. Any time a password is compromised, unauthorized access to these resources could occur.

Parking Division personnel were sharing their Central Cashiering and Parking Violation System User IDs and passwords for the following reasons:

- Separate the recording of electronic payments from other payments to facilitate reporting to the Banking Division.
- Cover a position when someone takes leave.
- Assist with data entry when workload gets behind.
- Process certain adjustments.

City of Tampa, Personnel Manual, Section B39, Computer Use, prohibits employees from sharing their password with any other individual. City of Tampa, Computing Policies and Procedures, Section 8, Computer/Network Security, prohibits sharing passwords with anyone. A similar finding was reported in the last audit of Parking Enforcement (Audit 02-37).

RECOMMENDATION 2

User IDs and passwords should not be shared for any reason. With the assistance of the Technology and Innovation Department, the access permissions of the Central Cashiering and Parking Violation Systems should be evaluated in conjunction with Parking Division's job functions.

Permissions should be granted to maintain appropriate segregation of duties and allow personnel to perform their requisite duties without resorting to the sharing of User IDs and passwords. Job functions may need to be reassigned. Additional transaction reports may need to be developed. The supervisor and staff should reset their passwords and maintain their confidentiality. Parking Division management should stress the importance of network and data security with employees and require compliance with City policies.

AUDITEE RESPONSE

The Parking Division recognizes the value of separation of assigned duties relative to data security and compliance with City policies. A February 2005 consultant study recommended a reassignment of job functions as a result of the elimination of several parking administrative positions. At the advice of the consultant, the Parking Division made the recommended adjustments in number of personnel. Shortly after implementing the study

recommendations in early FY 06, the Parking Division was faced with several substantial medical leaves of absence by key administrative staff supervisors. As a result, password access to certain programs was provided to a few lead Customer Service Representatives to accommodate the workload.

Since this time, and as a result of this audit, the Parking Division will request additional password access for the lead personnel. The new passwords will allow for continued separation of duties as well as provide for adequate personnel backup, should future leave of absence occur with the parking administrative section.

VOIDED CITATIONS

Citations may be voided under certain circumstances. The hearing officer may void a citation based on the evidence presented at court. There are government voids that involve City, County, State, and Federal vehicles. These citations are voided after receipt of a written letter on the entity's letterhead along with an appropriate signature by an official. Other voids may be granted after proper documentation is submitted. These include citations related to expired tags, stolen decals, out of state licenses, and disabled parking spaces. Routine voids, those just requiring substantiating support, do not require higher-level approval. The rest must be approved by an authorized individual, which is normally an Administrative Assistant, a Supervisor, or Manager. Non-routine voids are recorded in a database maintained by the Parking Division.

The Technology and Innovation Department created an extract file from the Parking Violation System (PVS) that contained all citations issued during the current fiscal year. The file was imported into MS Access and queried to extract all citation voids. The PVS extract file and database were reconciled to ensure completeness.

A random sample of 30 voids was taken from the PVS file and tested to determine whether the voids were valid and that proper approvals were obtained. All of the tested transactions were properly approved, but two were not adequately supported in order to determine the validity of the void. The approvals for voids were documented; however, the supervisor did not include any reasons or explanations as to why the voids were justified.

RECOMMENDATION 3

Sufficient support should be created and retained to ensure the validity of all voided citations.

AUDITEE RESPONSE

The Parking Manager has required all future voided citations to list a written reason for void purpose. In addition, the following staff members are authorized to void citations:

- Assistant Manger
- Parking Operations Superintendent
- On-Street Enforcement Supervisor
- Senior Administrative Assistant (recommend to void only)
- Chief of Security
- Garage Operations Supervisor
- Administrative Assistant II (recommend to void only)