

PARKING DEPARTMENT
Off-Street Parking

BACKGROUND

Parking, a division of the Public Works Department, is an enterprise fund responsible for the development of parking policies and the expansion plans needed to serve the parking demand of the central business district and adjacent commercial areas.

The division operates 8 garages and 23 off-street lots. Approximately 10,400 off-street parking spaces are available for public use. About two-thirds of the spaces are for monthly parking, and the remainder for hourly or daily patrons. Over 800 spaces were added in 1995 with the completion of the eight-story parking garage next to Tampa General Hospital.

Construction of a new parking facility, with 1,500 spaces, adjacent to the Ice Hockey Arena is also under construction, and is expected to be finished in late 1996. Operation of eight parking lots in Ybor City on Friday and Saturday evenings went into full operation in 1995. The lots generated almost \$200,000 last year and revenue was projected to increase this year.

In fiscal year 1995 off-street parking revenues were slightly more than \$7 million. Off-street parking is responsible for about 65 percent of the division's income.

SCOPE

The audit period was from October 1, 1994, through September 30, 1995. Our review was limited to off-street parking operations.

STATISTICS

	<u>FY94</u>	<u>FY95</u>	<u>FY96</u>
Budget:			
Personnel Services	\$2,880,381	\$3,064,923	\$3,240,342
Operating Expenses	<u>\$2,113,307</u>	<u>\$2,398,436</u>	<u>\$2,473,421</u>
Operating Budget	\$4,993,688	\$5,463,359	\$5,713,763
Number of Positions	101	101	101

PLANNING

1. Prepare and send an entrance letter to Manager of Auditee Division.
2. Prepare a planning program and include a time budget for the preliminary survey work.
3. Conduct an in-house review of the following:
 - a. Prior internal audit reports and management comments,
 - b. The annual budget and Mission & Management Statement of Auditee Department, and

c. Charter, Organization Chart, and any Procedure Manuals.

4. Schedule and hold an entrance conference with the Auditee. Obtain the name of the departmental contact person, and secure a place from which to conduct the field work portion of the audit.
5. Begin Preliminary Survey by interviewing the appropriate personnel in the Auditee Department. Document the interviews with narratives in the work file.
6. Review and document Internal Control System. (Include control points, such as the location within the system of approvals, authorizations, segregation of duties, supervision, reconciliations, computer-generated error and edit listings, exception reports, etc.)
7. After gaining an understanding of various functions, conduct several transaction walk-throughs. Revise documentation as necessary.
8. Prepare a survey memo listing the strengths and weaknesses of the system. Discuss the areas of greatest risk and exposure to the City. Also, include suggested audit objectives and test procedures. Discuss with Audit Supervisor and the Deputy Director.
9. Prepare the audit program and include a time budget and estimated completion date. Index the work file and turn in for review.
10. Clear review notes and revise the audit program, if necessary.

OBJECTIVE # 1:

Determine if internal controls over cash collection are adequate.

1. Review the procedures used to control cash collection, transfer, and deposit.
2. Observe the procedures in operation to determine if they controls are adequate to safeguard cash collection.
3. Select a sample of daily cashier reports for testing.
4. Test the sample to determine if the checks and controls are being followed by the Parking Division staff.
5. Trace the daily deposit amounts from the cashier reports to the bank deposit and general ledger.
6. Obtain a list showing employees and the date of termination from employment.
7. Determine if the combination was changed in accordance with internal policies.
8. Summarize and conclude.

OBJECTIVE 2: The internal controls over Accounts Receivable are reasonable.

1. Obtain a copy of the Accounts Receivable aging schedules and subsidiary A/R ledger.
2. Compare the subsidiary A/R ledger accounts to the aging schedule to determine if there are any discrepancies.

3. Test a sample A/R invoices to determine if any are delinquent.
4. Determine if the delinquent accounts were posted to the aging schedule.
5. Determine if delinquency notices were sent.
6. Review A/R accounts that are 45 days or more days delinquent to determine if the proper actions were taken to attempt to cure the delinquent accounts.
7. Obtain the "Cashier Summary Reports" for the audit period.
8. Prepare a schedule for the daily charges by facility and calculate the ending A/R amount to be billed to the customer.
9. Test the calculated A/R total to the actual billing amount.
10. Resolve any discrepancy noted with the accounting supervisor.
11. Summarize and conclude.

OBJECTIVE 3: Revenue from monthly parking was reasonable based on the number of available parking spaces.

1. Obtain a listing of the number of parking spaces available for each garage and lot.
2. Obtain the monthly parking rates for the locations.
3. Prepare a schedule to show the potential revenue for the locations.
4. Analyze the actual revenue received from monthly parking to the potential revenue by location.
5. Review the procedures taken to fill vacated spaces in garages and lots that have a waiting list.
6. Determine the number of parking spaces that were relinquished in the above garages and lots.
7. Determine the number of spaces sold.
8. Determine the reason available slots were not filled by the staff.
9. If the slots were not filled determine if the revenue that was foregone was significant.
10. Obtain a copy of the "Honor Drop Box" logs.
11. Prepare a schedule to estimate the revenue lost by not having a cashier on duty.
12. Summarize and conclude.

OBJECTIVE 4: Determine if the internal controls to account for all access cards and hangtags are adequate.

1. Review the procedures to account for the issued and the inventory of access cards and hang tags.

2. Perform an inventory of current, voided, and unissued access cards.
3. Perform an inventory of issued, voided, and hang tags that were not sold..
4. Resolve any discrepancies with the staff.
5. Summarize and conclude.

WRAP-UP

1. Complete and index workpapers.
2. Clear review notes.
3. Prepare a preliminary draft of the audit report.
4. Prepare requests for auditee responses.
5. Schedule and hold exit conference.
6. Incorporate auditee responses into the final audit report.
7. Present the audit report to the Mayor.