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# **Audit of the Orange County Convention Center Parking Revenue**

**Report by the  
Office of County Comptroller**

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## OFFICE OF THE COMPTROLLER

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July 19, 2017

Teresa Jacobs, County Mayor  
And  
Board of County Commissioners

We have conducted an audit of the Orange County Convention Center's Parking Revenue. The audit was limited to an examination of financial records related to the Convention Center's parking lot revenue collections. The period audited was October 2015 through June 2016.

We conducted this audit in accordance with generally accepted government auditing standards. Those 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. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Responses to our Recommendations for Improvement were received from the Convention Center's Deputy Director and are incorporated herein.

We appreciate the cooperation of Convention Center personnel during the course of the audit.

Phil Diamond, CPA  
County Comptroller

c: Ajit Lalchandani, County Administrator  
Kathie Canning, Executive Director, Convention Center  
Kris Shoemaker, Deputy Director, Convention Center

## EXECUTIVE SUMMARY

## Executive Summary

The Orange County Convention Center (Convention Center) has three surface parking areas (West, North, and South) with a total of approximately 6,600 parking spaces. Sixteen point-of-sale parking tollbooths serve the three parking areas. The tollbooths accept cash and credit card payments. Short term metered parking is also available in front of the West Concourse. The Convention Center reported over \$6,000,000 of parking revenue for fiscal years 2015 and 2016.

The audit scope was limited to an examination of financial records related to the Convention Center's surface parking lot revenue collections. The period audited was October 2015 through June 2016. The audit objective was to determine whether Convention Center event parking fees were collected, processed, and deposited in accordance with County regulations and the Convention Center's revenue collection procedures.

Based on the results of our testing, we found that Convention Center event parking fees were processed and deposited in accordance with County regulations and the Convention Center's revenue collection procedures. However, we were unable to determine whether all surface parking lot revenue that should have been collected, was actually collected, at the point-of-sale parking tollbooths. Specifically, we noted the following:

We observed and counted the number of vehicles entering a Convention Center parking lot for two hours on two separate dates and compared our vehicle count to the BRAVA (the Convention Center's revenue management system) records of parking charges by tollbooth. Our comparison found that no parking charge was recorded by the parking attendants for 17 percent (9 of 54) of the vehicles observed on the first occasion and 33 percent (70 of 212) of the vehicles observed on the second occasion.

The Convention Center's formulas to apportion sales tax and ticket charge revenue were incorrect for the \$10 and \$25 tickets. This resulted in the overpayment of sales tax to the State of approximately \$6,600 for the nine-month audit period.

We reviewed the supporting documentation maintained for 13 cancelled transactions recorded in BRAVA over a five-day period. Our review found the supporting documentation for two of the cancelled transactions consisted only of reprints of receipts indicating that the transactions were later cancelled by the supervisor—without the parking attendant's request or knowledge. Further, none of these documents were signed by the parking attendant.

We observed Convention Center parking attendants using passwords that only contained two digits when logging in to the parking system. Further, we observed

that passwords were shared among users. We were also informed that passwords are not required to be changed periodically.

Recommendations for Improvement were developed and discussed with Convention Center personnel. Management concurred with our recommendations and steps to implement the recommendations are underway or planned. Responses to the Recommendations for Improvement are included herein.

# ACTION PLAN

## AUDIT OF ORANGE COUNTY CONVENTION CENTER PARKING REVENUE ACTION PLAN

NO.	RECOMMENDATIONS	MANAGEMENT RESPONSE			IMPLEMENTATION STATUS	
		CONCUR	PARTIALLY CONCUR	DO NOT CONCUR	UNDERWAY	PLANNED
1.	The Convention Center should institute procedures to ensure parking attendants enter a transaction for each vehicle entering the parking lot through their tollbooth. In addition, management should consider installing cameras in each tollbooth.	✓				✓
2.	Convention Center management should:					
A).	Review and revise the formulas for calculating and paying sales tax.	✓			✓	
B)	Work with the Orange County Comptroller's Office to obtain a refund for overpaid Florida Sales Taxes.	✓			✓	
3.	Convention Center management should develop and implement additional procedures related to cancelled transactions. These procedures should include:					
A)	Parking attendants submitting a signed receipt for each cancelled transaction with appropriate justification documented.	✓			✓	
B)	Preventing employees with the ability to cancel transactions from having access to cash.	✓			✓	
4.	The Convention Center should ensure that passwords used to gain access to the BRAVA parking system meet minimum password controls.	✓				✓



# INTRODUCTION

### Background

The Orange County Convention Center (Convention Center) has three surface parking areas (West, North, and South) with approximately 6,600 parking spaces. Short-term metered parking is also available in front of the West Concourse. Sixteen parking tollbooths serve the three surface parking areas. Both cash and credit card payments are accepted at the tollbooths. Parking costs vary from \$10 to \$25 per day depending on vehicle size and whether an event is private or open to the public.

Fees collected for parking are recorded in BRAVA, a cloud-based point-of-sale system. After a payment is recorded, the parking tollbooth operator issues a receipt to the customer that shows the date, event, and amount paid.

Parking revenues were \$6,076,509 and \$6,185,168 for fiscal years 2015 and 2016, respectively. The Business Services Unit (Unit) in the Convention Center's Fiscal and Operational Support Division supervises parking operations. The Unit employs over 30 part-time employees to operate the parking tollbooths and assist with parking flow. The number of employees working at one time depends on the number and size of events at the Convention Center.

### Scope, Objectives, and Methodology

The audit scope was limited to an examination of financial records related to the Convention Center's parking lot revenue. The period audited was October 1, 2015 through June 30, 2016. The audit objective was to determine whether fees charged for parking at Convention Center events were collected, processed, and deposited in accordance with County regulations and the Convention Center's revenue collection procedures.

To determine whether parking fees were collected, processed, and deposited in accordance with regulations and procedures, we performed the following:

- We selected one month during the audit period and verified that all transactions recorded in the BRAVA system were included in the daily reconciliation.
- We recalculated the amounts due for sales tax.

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## INTRODUCTION



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- We verified that collections were timely deposited and accurately recorded in the County's financial records.
- We observed vehicles entering Convention Center surface parking lots and compared the number of vehicles counted to the number of parking transactions recorded by the tollbooth operators in the BRAVA system.

## Overall Evaluation

Based on the results of our testing, we found that fees charged for event parking at the Convention Center were processed and deposited in accordance with County regulations and the Convention Center's revenue collection procedures. However, we were unable to ascertain whether all parking revenue due was collected at the point-of-sale parking tollbooths. Opportunities for improvement are discussed herein.

# RECOMMENDATIONS FOR IMPROVEMENT

## RECOMMENDATIONS FOR IMPROVEMENT



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### 1. All Vehicles Parking for Convention Center Events Should Be Recorded in the Parking System

The Convention Center has several parking areas where fees are collected and paid by cash or credit card. Total parking fees recorded during the audit period totaled \$5,141,629. As vehicles enter the parking area, they must pass through a tollbooth staffed by a parking attendant. The tollbooth does not utilize cameras to record activity or gates to prevent unauthorized entry. The parking attendant collects the parking fee from the customer entering the parking area based on the charge for the event icon selected on the BRAVA terminal. Each icon is preprogrammed daily, based on vehicle type and scheduled events.

To verify that all vehicles using the parking lot were charged, we observed vehicles entering a Convention Center parking lot for two hours on two separate dates. We then compared the times of entry and number of vehicles to the number of parking transactions entered in the BRAVA system for the same tollbooths that controlled access to the lot. Our comparison showed that no parking charge was recorded in BRAVA for 17 percent (9 of 54) of the vehicles observed on the first occasion and 33 percent (70 of 212) of the vehicles observed on the second occasion. A comparison is shown below:

Date and Time Period Counted	Number of Vehicles Counted	Parking Transactions Recorded	Vehicle Count Difference
AUGUST 12, 2016			
2:30-3:00	14	13	1
3:00-3:30	14	9	5
3:30-4:00	15	14	1
4:00-4:30	11	9	2
Total	54	45	9
SEPTEMBER 9, 2016			
2:00-2:30	71	48	23
2:30-3:00	55	35	20
3:00-3:30	48	37	11
3:30-4:00	38	22	16
Total	212	142	70

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## RECOMMENDATIONS FOR IMPROVEMENT



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In addition, a comparison of transactions recorded by both tollbooths open during the second observation showed that one of the tollbooths recorded 98 transactions, whereas, the other tollbooth only recorded 44 transactions during the same time period. The large disparity between the tollbooths raises questions as to whether all parking revenue was collected; or if collected, whether all parking revenue was submitted for deposit.

Although management offered several possible explanations why parking transactions might not be recorded in BRAVA by a parking attendant (such as same-day reentry, complimentary passes, etc.), they were unable to connect those reasons with the specific missing transactions noted above.

Parking attendants should record each vehicle entering the parking area in BRAVA. This should include vehicles that are not charged because of same day reentry, passes, or other valid reasons. Each parking transaction that is not recorded in the system—with a corresponding amount submitted for deposit—represents a potential misappropriation of funds. We noted unrecorded transactions that represented a potential revenue shortfall of nearly \$2,000 during the four-hour test period. The Convention Center reported average monthly tollbooth parking sales of over \$500,000. Based on the significant amount of cash collected, additional controls should be in place to ensure that all collected cash is deposited.

### **Recommendation:**

The Convention Center should institute procedures to ensure parking attendants enter a transaction for each vehicle entering the parking lot through their tollbooth. In addition, management should consider installing cameras in each tollbooth.

### **Management's Response:**

We concur with instituting procedures to ensure parking attendants entering a transaction for each vehicle. We are

## RECOMMENDATIONS FOR IMPROVEMENT



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currently working with BRAVA, the Convention Center's parking point of sales provider to add features to allow parking attendants to select and account for each vehicle. We concur with installing cameras in each tollbooth. We will work with our IS Department to discuss implementation options.

### **2. Applicable Sales Tax Should Be Calculated and Paid at the Correct Rate**

The Convention Center charges prices for parking that vary by the type of event and vehicle size. The price charged for each vehicle represents the total charge for both the parking fee and sales tax due. The total parking charge and the related 6.5 percent sales tax are noted on the printed receipt provided to the customer. The daily collections are later apportioned between parking revenue and sales tax on the Classification of Receipts (COR) sent to the Comptroller's Finance and Accounting Department. The Comptroller's Office totals the amounts recorded for each month and files the sales tax return with payment to the State of Florida.

The Convention Center's formulas to apportion sales tax and ticket charge revenue were incorrect for the \$10 and \$25 tickets. This resulted in the overpayment of sales tax to the State of \$0.03 and an underpayment of \$0.01 per ticket sold, respectively. Entities doing business in Orange County are required by State law to collect and remit 6.5 percent of all taxable sales. The cumulative effect of these errors for the nine-month audit period is shown in the following table:

Ticket Dollar Amount	Number of Tickets Sold	Tax Due State	Tax Paid to State	Overpayment (Underpayment) to State
\$10	221,876	\$137,563	\$144,219	\$6,656
\$25	926	\$1,417	\$1,408	(\$9)
Total Amount Overpaid				\$6,647

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### **Recommendation:**

Convention Center management should:

- A) Review and revise the formulas for calculating and paying sales tax.
- B) Work with the Orange County Comptroller's Office to obtain a refund for overpaid Florida Sales Taxes.

### **Management's Response:**

- A) We concur with reviewing and revising the formulas for calculating and paying sales tax. The formula for calculating sales tax was immediately corrected and implemented. In addition, when parking rates change, the Parking Supervisor will verify appropriate sales tax rate with Convention Center Finance and ensure that the sales tax rate is entered correctly in the formula.
- B) We concur with working with the Comptroller's Office and the Florida Department of Revenue in obtaining a refund for overpaid Florida Sales Tax. We will research the process of, feasibility of and the cost benefit analysis of requesting the refund.

### **3. Additional Controls Should be Implemented over Cancelled Transactions**

At the conclusion of a parking attendant's shift, the collected cash is removed from the locked drawer in the tollbooth and transferred to the Unit's assistant supervisor. The assistant supervisor then counts the cash and seals it in a bag for deposit. If an inaccurate transaction occurs during the day—such as selecting the wrong charge or event for a particular vehicle—the parking attendants are supposed to include a copy of the receipt with the cash to be deposited. The amount in the sealed bag (along with any receipts included) is later reconciled to the total parking transactions recorded in BRAVA for each tollbooth by an assistant supervisor.



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If the monies submitted for deposit and receipts representing incorrect transactions do not correspond with the reported transactions, the assistant supervisor will attempt to reconcile the difference. In doing so, the assistant supervisor will review the day's transactions to determine whether any transactions should have been cancelled. This review is based on the assistant supervisor's understanding of common parking attendant errors. After that review, the assistant supervisor cancels any transactions identified and prints a copy of the receipt for supporting documentation.

We reviewed the supporting documentation maintained for 13 cancelled transactions recorded in BRAVA over a five-day period. Our review found the supporting documentation for two of the cancelled transactions consisted only of reprints of the receipts indicating the transactions were later cancelled by the supervisor—without the parking attendant's request or knowledge. Further, none of the cancelled transaction receipts were signed by the parking attendant.

While it is impracticable for the parking attendants to contemporaneously obtain a supervisor's approval for each cancelled transaction throughout the day, a written explanation and signature from the parking attendant on the cancelled receipt should be required. Further, system controls should not allow the assistant supervisors to cancel a transaction since the assistant supervisors also have access to the day's collections and prepare the deposits. Without adequate segregation of duties and review of cancelled transactions, the transaction could be cancelled in BRAVA and cash could be misappropriated without detection.

### **Recommendation:**

Convention Center management should develop and implement additional procedures related to cancelled transactions. These procedures should include:

- A) Parking attendants submitting a signed receipt for each cancelled transaction with appropriate justification documented.

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## RECOMMENDATIONS FOR IMPROVEMENT



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- B) Preventing employees with the ability to cancel transactions from having access to cash.

### **Management's Response:**

- A) We concur that parking attendants must submit a signed receipt for each voided transaction with appropriate reasons documented. This procedure is already underway. However, we will periodically, reiterate this procedure to the attendants that they are required to sign and write an explanation on all receipts that are voided, otherwise, the transaction will not be considered void.
- B) We concur with preventing employees with the ability to cancel transactions. As described above, the attendants have the ability to void a transaction by manually writing void on the receipt, but do not have the ability to cancel or void transaction within the BRAVA system. The attendant has an option to click on the bin button, which would automatically put that transaction into an incomplete sales status in BRAVA.

We are now requiring the Parking Supervisor or Assistant Supervisor to print a report that shows all incomplete status transactions. All transactions that are cancelled or voided in the BRAVA System will require a 2nd signature from the Parking Supervisor, Financial Supervisor, Assistant Chief Financial Officer or Chief Financial Officer.

There are two transaction types used to cancel a parking transaction.

- 1) True Void Transaction – A true void transaction can occur when an error is entered in BRAVA by the parking attendant. In this case, the attendant should write void on the receipt, signed it, and provide an explanation for the void. The parking attendant should submit all void receipts with the cash to be deposited.

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- 2) Incomplete Transaction Sale – The incomplete transaction sales occurs when the full transactions was not entered nor a full payment was applied. The attendant should put this transaction on hold by selecting the bin button on the screen. These transactions are automatically recorded in BRAVA as an incomplete transaction sale.

When balancing the attendant's daily deposits, the Supervisor or Assistant Supervisor should check the incomplete sales/error's report to verify where shortages occurred. If there are transactions on this report, the Supervisor or Assistant Supervisor should print the report, sign and correct. After corrections are made, the Supervisor or Assistant Supervisor should then cancel the incorrect transaction. We are now requiring a second signature from the Parking Supervisor, Financial Supervisor, Assistant Chief Financial Officer, or Chief Financial Officer to countersign any cancelled transactions.

#### **4. Passwords for the Parking Revenue Collection System Should Be Controlled**

We observed Convention Center parking attendants using passwords that only contained two digits when logging in to the BRAVA parking system. Further, we observed that passwords were shared among users and, were informed that passwords are not required to be changed periodically.

Passwords should be required to adhere to specific criteria, including, but not limited to:

- Known only to each individual user;
- Not being less than six characters;
- Contain both digits and alphabetic characters; and,
- Be changed every 30 days or immediately upon suspected compromise.

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We were informed that several of the parking attendants have very short passwords because they often need assistance with logging on and off and therefore share their passwords with the assistant supervisors or rovers. With passwords being too short, shared, and never changed for access to BRAVA, unauthorized access could occur.

### **Recommendation:**

The Convention Center should ensure that passwords used to gain access to the BRAVA parking system meet minimum password controls.

### **Management's Response:**

We concur that passwords used to gain access to the BRAVA parking system meet minimum passwords controls. We did confirm with BRAVA that the system does not have the capability to self-change passwords. Passwords can only be set up and changed in BRAVA by the Parking Supervisor or the Assistant Supervisors and cannot be changed by the attendants. This information is safe guarded. Efforts are underway to ensure passwords meet or exceed minimum character requirements and contain both numeric & alphanumeric characters. We have other controls in place such as ensuring passwords are deactivated for terminated or employees that have resigned. In addition, when a password is suspected of being compromised, it is immediately deactivated.

There is a security feature in BRAVA that only allows one attendant to be logged in at one time and Parking Supervisor or the Assistant Supervisors have the ability to monitor all sign in/off activity in BRAVA daily.