

CALIFORNIA FRANCHISE TAX BOARD

OFFICE OF EXPOSITION PARK MANAGEMENT REVIEW

NOVEMBER 2007 INTERNAL AUDIT

FTB FINDING	OEPM RESPONSE
1) Overtime was not by the employee's supervisor nor was there evidence that the employee worked the event.	Corrected. All overtime forms must be authorized with the Supervisor's signature on an overtime form prior to the event, and approved by the Supervisor with signature following the event to verify overtime worked.
2.) There is a lack of separation of duties regarding planning, collection of money, preparation of invoices, etc. in addition, duties are key person dependent.	Corrected. Procedures and protocol is now in place to provide a reasonable separation of duties given the OEPM small staff. Separation of duties has been realigned and cross training is provided to ensure that all necessary functions can be processed timely.
3.) OEPM has no written policies or procedures.	Corrected. Policies and procedures have been developed and are reviewed annually.
4.) Some invoices and records/files regarding facility use for special events were unattainable.	Corrected. All documents are kept in a specific corresponding event file and in an electronic format as well.
5.) There is a lack of communication between the OEPM, the Accounting unit, and Classic parking regarding all aspects of special events.	Corrected. Weekly meetings between OEPM, Admin Accounting and Classic Parking management have been implemented. Communication on a daily basis is conducted via email and telephone.
6.) There is no written policy on providing special rates for legislative events, however special rates have been provided.	Corrected. Written policies have been issued which clarify parking protocol for legislative events.
7.) Staff is working out of the scope of their job duties.	Corrected. Staff is working within the scope of their Classification and Duty Statement.
8.) The date the application is received by the OPM for special events do not contain "received date" information.	Corrected. All event documents including the applications are date stamped.
9.) The Exposition Park web-based calendar of events is not updated when a new event is scheduled.	Corrected. All park entities are responsible for the review and update of the Exposition Park Web calendar daily/weekly. Monthly reminders are issued at the monthly Park Wide meetings.

10.) Some Exposition Park security cameras are not working.	Ongoing. A survey and assessment has been conducted of current security equipment. Findings and recommendations of this survey are being implemented through the State procurement process and as budget is available.
11.) The car count activation system in the California Science Center parking lot structure is not currently in use.	Under review. Staff has had discussions regarding the viability of the current Car Activation System or the the purchase and installation of an upgraded system.
12.) Payments from clients for special events held at Exposition Park were not deposited upon receipt by the OPM.	Corrected. Checks are date stamped and logged upon receipt. Checks are sent to Accounting daily and deposited weekly.
13.) Full payment for special events is not collected prior to the event date.	Corrected. Full payment for all external events, including a deposit, is received prior to the event. Until all fees are collected in advance of the event OEPM will not issue a permit.
14.) Classic Parking is paid for events held in Exposition Park for which they did not provide parking services.	Corrected. The contractor collects parking revenue for assigned Special Events only.
15.) There is no reconciliation process of Classic Parking's invoices, and, as a result, incorrect charges were incurred.	Corrected. OEPM staff reconciles ticket stubs, collected parking fees and invoice charges.
16.) There is no collection process established and invoices were not sent out to clients on time, or at all, for special events.	Corrected. Automated invoice system has been developed. Additionally as stated previously, all special event fees, plus a deposit, are collected prior to the issuing of a permit.
17.) OEPM is not maximizing revenue during major events due to parking spaces reserved for museum patrons.	N/A. The issue of reserved parking spaces for museum guests is required under lease and operating agreements.
18.) The fees charged to clients for facility use for events do not correspond to the fees listed on the Facility Use Fee Schedule.	Corrected. The Facility Use Fee Schedule has been reviewed and revised. Standardized fees are to all events.
19.) Classic Parking has used approximately 80% of their total contract amount of \$280,000 allotted for parking services and there is still seven months remaining in the contract. In addition, Classic Parking has consistently, except for one year, required an amendment to their contract to acquire more funding.	N/A. The contract for special event parking is a revenue share contract and solely for the purpose of providing parking services as defined in the contract. It is reasonable for the contract to exceed the contract total if additional or unexpected events take place. Overage is due to increased activity which generates revenue for the OEPM and the State.
20.) Adherence and monitoring of the Classic Parking contract is not performed.	Corrected. The OEPM has a designated contract manager who oversees all aspects of the contract. Weekly meetings are held between OEPM and Classic Parking.

<p>21.) The State is losing revenue on the Pay and Display machine in lot #4 by having Classic Parking perform the collection of the monies.</p>	<p>N/A. The contractor reflects all collections from the Pay and Display Machine on the revenue reports with correlating tickets sold. Reconciliation has been verified by the OEPM Contract Manager. Note: the overall viability and location of the machine is under review.</p>
<p>22.) The rate chart for special event vehicle parking rates on the Classic Parking Request for Proposal (RFP) is not updated and the RFP information is not included in the contract.</p>	<p>Corrected. Rate charts have been updated and standardized.</p>
<p>23.) Maximum occupancy is exceeded within the parking lots during events. The RFP and the Parking Inventory audit sheet have conflicting numbers for the total existing parking spaces.</p>	<p>Corrected. Staff has conducted an inventory count of parking spaces throughout the park.</p>
<p>24.) There is a lack of control and accounting of the parking tickets administered by Classic Parking. In addition, there is no verification process for the number of cars parked in the lots compared to the amount the OEPM is billed by Classic Parking.</p>	<p>Corrected. All parking ticket stubs are reconciled with reports (by lot) on a weekly basis by the contract manager. All ticket stubs are maintained by the OEPM.</p>
<p>25.) Classic Parking does not deposit money received from events in which they provide parking services in a timely manner.</p>	<p>Corrected. All revenue is deposited the next available business day into an approved Centralized Treasury State account as defined by the Department of General Services (DGS), State Administrative Manual (SAM) per 8001.1 Fiscal Agents.</p>
<p>26.) Classic Parking, acting as a fiscal agent in the receipt of remittances on behalf of the State pursuant to State Administrative Manual (SAM) section 8002.1, is not utilizing a financial institution within the centralized State Treasury System.</p>	<p>In process. The Department has submitted a fiscal agent application and amended the current contract to reflect deposit requirements.</p>
<p>27.) Sometimes Classic Parking is not informed of events taking place at Exposition Park in which parking services are required until the day before the event.</p>	<p>Corrected. A parking request form has been established and all park entities are encouraged to submit their event request on this form 3-5 days prior to event. Additionally OEPM continues to work with all park entities to provide advance time to properly staff and operate parking services through the Exposition Park Calendar, monthly Park Wide meetings, and daily email communication.</p>
<p>28.) OPM was not provided a fee schedule for Classic Parking's services, such as fees for lights, signage, etc.</p>	<p>Corrected. The contractor has provided a complete list of items and respective costs as addressed in the contract.</p>