

**POST AUDIT REPORT  
PARKING DEPARTMENT DRIVER AND  
VEHICLE INFORMATION DATABASE  
(DAVID) AUDIT  
PAR23-01**



WEST PALM BEACH

---

Internal Audit

December 21, 2022

**City of West Palm Beach  
Internal Auditor's Office**

Beverly Mahaso Esq., CIA, CFE  
Chief Internal Auditor

December 21, 2022

Audit Committee  
City of West Palm Beach  
401 Clematis Street  
West Palm Beach, Florida

**RE: POST AUDIT REPORT PARKING DEPARTMENT DRIVER and VEHICLE INFORMATION DATABASE (DAVID) AUDIT PAR23-01**

Dear Audit Committee Members:

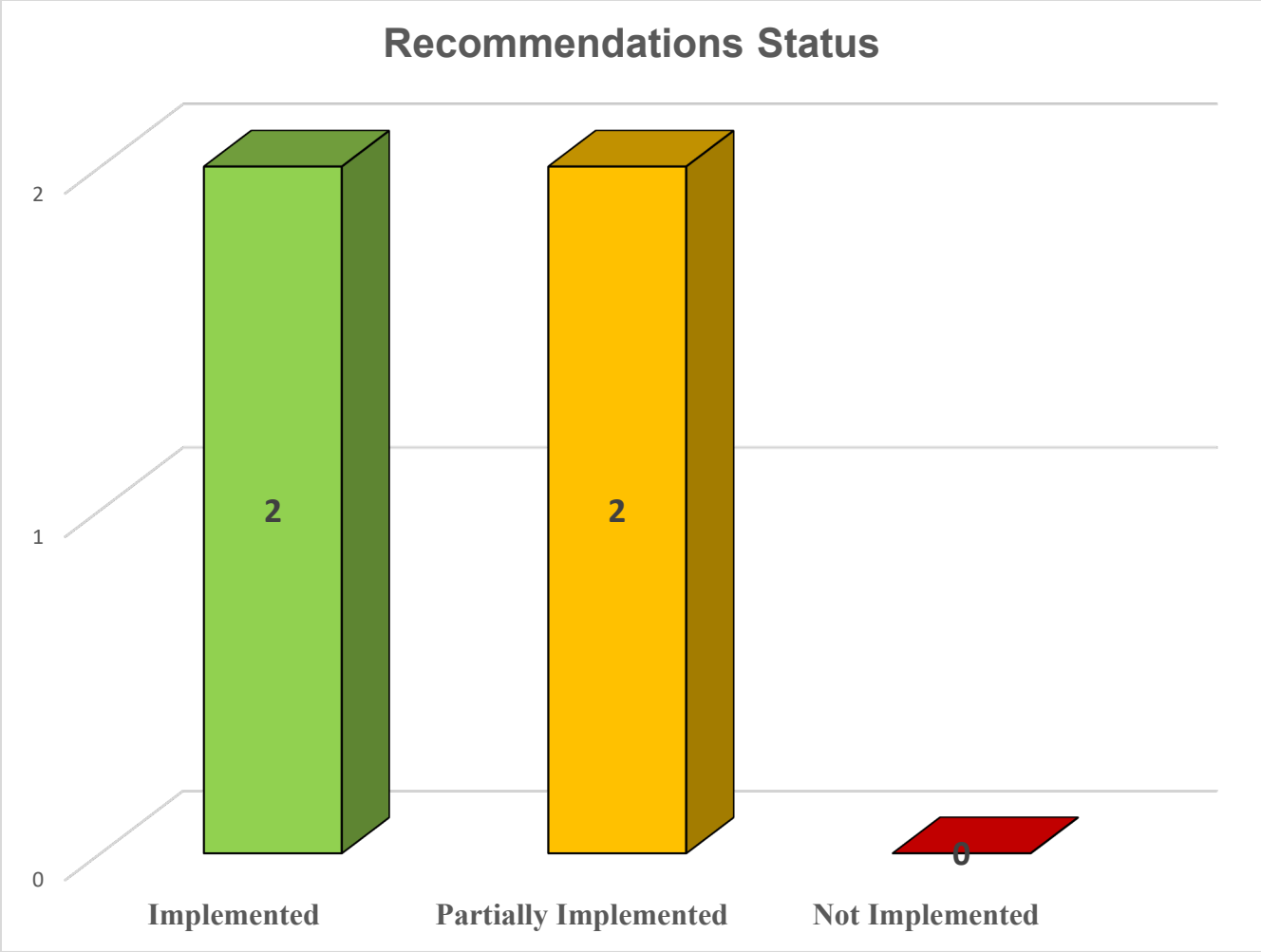
In FY 2022, the Internal Auditor's Office released an audit of the Parking Department Driver and Vehicle Information Database (DAVID) (**AUD22-01**). We performed certain procedures, as enumerated below, with respect to activities of the Parking Department in order to render a conclusion on the recommendations made as a result of that review.

This Post Audit Report (PAR) consisted primarily of inquiries of City personnel and examinations of various supporting documentation. It was substantially less in scope than an audit in accordance with generally accepted government auditing standards.

The evidence obtained provided a reasonable basis for our conclusions; however, had an audit been performed, other matters might have come to our attention that would have been reported to you and our conclusions may have been modified.

The audit contained four (4) recommendations that addressed the audit's findings. Upon completion of this PAR, we concluded that two recommendations were implemented, and two recommendations were partially implemented.

We have enclosed a table listing all the recommendations with management updates as well as auditor comments.



We thank the personnel from the Parking Department for their assistance in conducting this review and on continuing implementation efforts.

Respectfully Submitted,

s/ Beverly Mahaso  
 Chief Internal Auditor

cc:  
 Christy Fox, Commission President  
 Cathleen Ward, Commissioner  
 Christina Lambert, Commissioner  
 Shalonda Warren, Commissioner  
 Joseph Peduzzi, Commissioner

Keith James, Mayor  
 Faye Johnson, City Administrator  
 Armando Fana, Assistant City Administrator  
 Edward Davis, Parking Administrator

Encl.

# PARKING POST AUDIT REPORT PARKING DEPARTMENT DRIVER and VEHICLE INFORMATION DATABASE (DAVID) AUDIT

**Legend**  
■ Implemented  
■ Partially Implemented  
■ Not Implemented

## RECOMMENDATIONS

No.	Auditor's Condition and Recommendation	Management's Response and Update	Auditor's Status Update
1	<p><b>Condition:</b>                      The Parking Department utilizes a third-party collection agency to collect on delinquent receivables. This process is initiated once accounts are outstanding longer than the established threshold. During our review, we found that the Parking Department inappropriately distributed Florida Highway Safety and Motor Vehicle (FLHSMV) DAVID data to the sub-contracting collection agency to assist with collecting on delinquent parking accounts. Furthermore, we found that the terms of the agreement with the subcontractor did not adequately disclose the applicable laws, security, and confidentiality requirements surrounding DAVID data. We note that the contract with the collection agency expired and there is a month to month contract until a new vendor is identified through an RFP process.</p> <p><b>Recommendation:</b></p>	<p><b>Managements Initial Response -</b>                      We agree with this recommendation. The reason for this information being shared with our third-party collection contractors was to provide updated information in order for the contractor to effect thorough collection efforts on delinquent accounts. At the time, we were not aware of the understanding that additional consent was required. AT PRESENT, ALL INFORMATION SHARING WITH THIRD PARTY COLLECTION CONTRACTOR HAS BEEN HALTED.</p> <p>An RFP has been published in an attempt to enter into a new contract with a qualified collection agency. Parking will consult with the legal department as to the process to request and include this consent from FLHSMV to share this information with the new vendor as part of the new contract for third party collection services. NO INFORMATION FROM DAVID WILL BE SHARED WITHOUT CONSENT BEING CONTRACTUALLY ESTABLISHED.</p>	<p><b>Implemented December 2022</b>                      Based on the review we conducted, we found that sufficient corrective actions were taken to implement this recommendation. The Parking Department has ended the practice of transferring information obtained from DAVID to a third-party collection service until a new vendor is selected and the appropriate controls are in place. Once a new vendor is secured, we will review this area to ensure that controls have been implemented.</p>

# PARKING POST AUDIT REPORT PARKING DEPARTMENT DRIVER and VEHICLE INFORMATION DATABASE (DAVID) AUDIT

**Legend**  
■ Implemented  
■ Partially Implemented  
■ Not Implemented

No.	Auditor's Condition and Recommendation	Management's Response and Update	Auditor's Status Update
	<p>The Parking Department should ensure that it is aware of all the requirements of the MOU by performing a comprehensive review of the agreement. Subsequently, Parking should communicate its obligations under the MOU to the Office of the City Attorney, should it wish to continue assigning/sub-contracting delinquent parking accounts to a collection agency or a third party.</p> <p>The Parking Department should work with the Office of the City Attorney to expedite a review of the Parking Department's obligations outlined in the MOU, and update the month to month agreement for the collection of delinquent parking accounts to appropriately reflect the MOU requirements. Further, the requirements of the MOU should be reflected in all future agreements with subcontractors, third parties, or anyone who accesses or receives DAVID data.</p>	<p><b>Target Implementation Date:</b> August 1, 2022</p>	
2	<p><b>Condition:</b> During the audit period, there were 14 users with DAVID access, of which 10 users performed searches.</p>	<p><b>Managements Initial Response –</b> We agree with this recommendation.  With the understanding that the Police Department has entered into a separate</p>	<p><b>Partially Implemented December 2022</b> Based on the review we conducted, we found that some corrective actions were</p>

# PARKING POST AUDIT REPORT

## PARKING DEPARTMENT DRIVER and VEHICLE INFORMATION DATABASE (DAVID) AUDIT

- Legend**
- Implemented
  - Partially Implemented
  - Not Implemented

No.	Auditor's Condition and Recommendation	Management's Response and Update	Auditor's Status Update
	<p>The 10 users conducted a total of 3,131 searches. We reviewed a statistically valid sample<sup>1</sup> of 343 searches and found that for 94 (27%) searches performed, the Parking Department was unable to provide a business justification or other supporting documentation to validate whether the DAVID searches were for a legitimate business purpose. We also found the following DAVID search activities:</p> <ul style="list-style-type: none"> <li>• 85 of 94 (90%) searches were performed within Parking, and</li> <li>• 9 of 94 (10%) searches were performed within the Code Enforcement Division.</li> </ul> <p>It should be noted that while a process for documenting business justifications for DAVID searches exist, we found that this process was not being consistently followed. Further, the Parking Department does not have oversight or authority over Code Enforcement staff because Code Enforcement is within the Police Department. This presents challenges for the Parking Department to enforce the MOU</p>	<p>MOU with FLHSMV for access to DAVID, and they have direct oversight of the Code Enforcement Department, it is management's position that Code Enforcement should be placed as a sub-user to PD's MOU and be removed from Parking's MOU as soon as possible.</p> <p>A process has been established to log all information and supporting documentation to justify that all user searches in DAVID are for legitimate business purposes. This log will be available during all quarterly reviews and any future audits.</p> <p><b>Target Implementation Date:</b> July 1, 2022</p> <p>The process to obtain approval from City Administration to move Code Enforcement under PD's MOU has begun.</p>	<p>taken to implement this recommendation as indicated below.</p> <p><b>Recommendation 2a:</b> The Parking Department has implemented a process to verify that a business justification or other supporting documentation exists for all DAVID searches through Smartsheet. Internal Audit performed limited testing for this review and confirmed that all the searches tested, were appropriately logged and supported with a business justification. We also found that training had been provided, but was not documented.</p> <p><b>Recommendation 2b:</b> Based on the review we conducted, we found that some corrective actions were taken to implement this recommendation. Code Enforcement was still a part of the Parking department's DAVID MOU, however, as of December 1, 2022, the Parking Department locked Code Enforcement's access to the DAVID searches. The lock prevents Code Enforcement from accessing DAVID to perform searches. As such, Code Enforcement cannot perform searches until a formal process for communicating and monitoring Code Enforcement's DAVID user searches is in place or a</p>

# PARKING POST AUDIT REPORT

## PARKING DEPARTMENT DRIVER and VEHICLE INFORMATION DATABASE (DAVID) AUDIT

- Legend**
- Implemented
  - Partially Implemented
  - Not Implemented

No.	Auditor's Condition and Recommendation	Management's Response and Update	Auditor's Status Update
	<p>requirements or monitor the access and use of the DAVID data.</p> <p><b>Recommendation 2a:</b> The Parking Department should ensure that documentation is retained to support the business justification of all DAVID searches by:</p> <ul style="list-style-type: none"> <li>• Creating a process to perform routine/ongoing reviews of user searches. This process should include verifying that a business justification or other supporting documentation exists for all DAVID searches, and</li> <li>• Conducting periodic training for all DAVID users on the process and MOU requirements.</li> </ul> <p><b>Recommendation 2b:</b> The Parking Department should work with the Police Department to remove the Code Enforcement Division from its MOU. The Code Enforcement Division should obtain its own MOU or obtain access through the Police Department's MOU, provided that written consent</p>		<p>transfer of access is made to the Police Department's DAVID MOU.</p>

# PARKING POST AUDIT REPORT

## PARKING DEPARTMENT DRIVER and VEHICLE INFORMATION DATABASE (DAVID) AUDIT

**Legend**  
■ Implemented  
■ Partially Implemented  
■ Not Implemented

No.	Auditor's Condition and Recommendation	Management's Response and Update	Auditor's Status Update
	from the FLHSMV is obtained first. In the interim or in the event that Code Enforcement remains a part of the Parking Department's MOU, the Parking Department should create a process for communicating and monitoring Code Enforcement's DAVID user searches and ensuring that documentation of a business justification or other supporting documentation when searches are performed is maintained.		
3	<b>Condition</b> To ensure misuse has not occurred by individuals with DAVID access, agency point of contacts are required to submit Quarterly Quality Control Review Reports to the FLHSMV. During the audit period, we found that Quarterly Quality Control Reviews were not being performed as required under the current MOU. We reviewed a period that covered 8 Quarterly Quality Control Reviews (2 years) because the MOU states that the review data should be maintained for 2 years. We found that 7 of 8 (88%) reviews were not completed and the one that was completed, did not comply with the correct months for the	<b>Managements Initial Response -</b> We agree with the recommendation. Management requests assistance from the audit department for guidance on the details of how to adequately perform these audits. The quarterly interval will be adhered to; however, the department lacks the auditing expertise to conduct these reviews and would greatly benefit from the training provided by the auditors to the department's APOC. This would strengthen the department ability to maintain compliance with the MOU. Moving forward, the Parking Department's designated APOC for DAVID will not have user access and therefore any conflict between reviewer and user will be eliminated and remain non-existent.	<b>Implemented December 2022</b> Based on the review we conducted, we found that sufficient corrective actions were taken to implement this recommendation. The Parking Department implemented a process through the City's Enterprise Support Center ticketing system to remind the assigned Point of Contact of the upcoming Quarterly Quality Control Reviews. For this review, Internal Audit confirmed that all required reviews were performed accurately and timely. Further, we found that the review process had been adequately segregated with a separate reviewer who was not a user.



# PARKING POST AUDIT REPORT PARKING DEPARTMENT DRIVER and VEHICLE INFORMATION DATABASE (DAVID) AUDIT

- Legend**
- Implemented
  - Partially Implemented
  - Not Implemented

No.	Auditor's Condition and Recommendation	Management's Response and Update	Auditor's Status Update
	<p>applicable quarter. As such, all 8 (100%) quarters did not meet the MOU requirements.</p> <p>We also found that there was inadequate segregation of duties in the Quarterly Quality Control Review process. Specifically, we noted that the Agency's Point of Contact (APOC) charged with performing Quarterly Quality Control Reviews, also performs DAVID searches for parking citations that are escalated for resolution. Thus, the reviewer has the ability to review their own searches. We note that management was taking corrective action and we anticipate that positive improvements are already in progress.</p> <p><b>Recommendation 3:</b> The Parking Department should ensure that it is fully aware of all the requirements of the MOU by performing a comprehensive review of the agreement. Subsequently, Parking should ensure that Quarterly Quality Control Reviews are being performed. Parking should also ensure that its reviews are</p>	<p><b>Target Implementation Date:</b> April 1, 2022</p> <p><b>Auditor's Comment:</b> The Internal Auditor's Office may provide general guidance to the extent permissible under auditing standards.</p>	

# PARKING POST AUDIT REPORT

## PARKING DEPARTMENT DRIVER and VEHICLE INFORMATION DATABASE (DAVID) AUDIT

**Legend**  
■ Implemented  
■ Partially Implemented  
■ Not Implemented

No.	Auditor's Condition and Recommendation	Management's Response and Update	Auditor's Status Update
	accurate and complete (i.e. months reviewed should be included in the correct quarters). Finally, Parking should implement a process that adequately segregates the review process and removes the conflict that exists between the reviewer and users that perform DAVID searches.		
4	<p><b>Condition</b>                      During the audit period, DAVID access was added and/or removed for 14 users within the Parking Department. We reviewed access termination and found that the Parking Department did not deactivate DAVID user access in a timely manner for 4 (28%) employees with a terminated or transferred status. Their access remained active for 8 to 886 days.</p> <p><b>Recommendation 4a</b>                      The Parking Department should ensure timely deactivation of DAVID user access by:</p> <ul style="list-style-type: none"> <li>- Creating a process that requires immediate communication to the APOC of all users terminated or transferred from Parking,</li> </ul>	<p><b>Managements Initial Response -</b>                      With the understanding that the Police Department has entered into a separate MOU with FLHSMV for access to DAVID, and they have direct oversight of the Code Enforcement Department, it is management's position that Code Enforcement should be placed as a sub-user to PD's MOU and be removed from Parking's MOU as soon as possible. We agree with this recommendation. Going forward the Parking Department will ensure that all DAVID users assigned to the Parking Administration will have access removed within the five (5) day window as prescribed in Section IV, Para.B,8 of the MOU.</p> <p><b>Target Implementation Date:</b>                      July 1, 2022</p>	<p><b>Partially Implemented December 2022</b>                      Based on our review, we found that some corrective actions were taken as indicated below.</p> <p><b>Recommendation 4a:</b> We found that a process was in place related to deactivating users and conducting reconciliations, however, no users were removed from the DAVID system after the issuance of the original audit report, March 29, 2022. As a result, there was no data to review for this recommendation, however Internal Audit will follow-up on this during the next review. Finally, we found that training was provided, but not documented.</p> <p><b>Recommendation 4b:</b> As mentioned in the status update for Recommendation 2b, Code Enforcement remains a part of the Parking Department's MOU under</p>

**PARKING POST AUDIT REPORT  
PARKING DEPARTMENT DRIVER and VEHICLE  
INFORMATION DATABASE (DAVID) AUDIT**

- Legend**  
■ Implemented  
■ Partially Implemented  
■ Not Implemented

No.	Auditor's Condition and Recommendation	Management's Response and Update	Auditor's Status Update
	<p>- Performing routine reconciliations of all current DAVID user access, by comparing users to the City's most recent employee roster, and</p> <p>- Conducting periodic training for all DAVID users on the process and the MOU requirements.</p> <p><b>Recommendation 4b</b></p> <p>As related to Code Enforcement, the Parking Department should work with the Police Department to remove the Code Enforcement Division from its MOU. The Code Enforcement Division could obtain its own MOU or obtain access through the Police Department's MOU provided that written consent from the FLHSMV is obtained first. In the interim or in the event that Code Enforcement remains a part of the Parking Department's MOU, the Parking Department should follow the procedures that it establishes, in accordance with the above recommendation, and ensure that Code Enforcement users are timely deactivated.</p>	<p>Removal of terminated employees within 5 days will be effective immediately.</p> <p>The process to obtain approval from City Administration to move Code Enforcement under PD's MOU has begun.</p>	<p>the status of lock until a formal process for communicating and monitoring Code Enforcement's DAVID user searches is in place or a transfer of access is made to the Police Department's DAVID MOU.</p>