



INTERNAL AUDIT REPORT

OPERATIONAL AUDIT
CASH CONTROLS

JANUARY 2019 – DECEMBER 2019

ISSUE DATE: MARCH 25, 2020
REPORT NO. 2020-01

TABLE OF CONTENTS

Executive Summary	3
Background	4
Audit Scope and Methodology	6
Schedule of Findings and Recommendations.....	7
Appendix A: Risk Ratings	12
Appendix B: Cash Memo.....	13

Executive Summary

Internal Audit (IA) completed a Cash Controls audit for the period January 2019 through December 2019. The audit was performed to identify key areas within the Port where cash is handled, and to evaluate the design and effectiveness of internal controls supporting those cash processes.

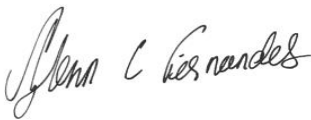
Cash is the most liquid of assets and is inherently susceptible to loss. Therefore, implementing sound internal controls and processes is important to prevent misappropriation. Additionally, the Revised Code of Washington (RCW) 43.09.240 requires moneys to be deposited within 24 hours of collection, unless an exception has been granted by the treasurer of the local government.

The Port of Seattle receives most of its cash at the airport parking garage. In 2018, Internal Audit completed a review of Cash Controls at the Sea-Tac Parking Garage. Additionally, in late 2019, three cashiers were terminated at the airport parking garage for fraudulent cash activities. Based on the method by which the cashiers conducted the cash thefts, Internal Audit issued a memo to the Aviation Managing Director offering recommendations to further enhance related controls. Accordingly, the parking garage was out of scope for this audit. The memo with a management response can be found in Appendix B.

Port management's internal controls related to cash needed improvement. In some instances, controls existed, but were not followed, whereas in others, controls did not exist and needed to be developed. These issues are listed below and discussed in greater detail beginning on page seven of this report.

1. (Medium) - Segregation of Duties were not integrated into the cash processes at Fishermen's Terminal and Shilshole Bay Marina. Staff levels were limited at these locations, however, introducing a few key control enhancements to the existing processes could reduce the risk of misappropriation.
2. (Medium) - The Airport (SEA) Lost and Found staff did not follow established procedures on cash handling. Accordingly, during our testing, we were unable to verify transactions where currency received was accurately recorded, retained, released to the claimant, or deposited to the Port's bank account.

We extend our appreciation to Port management and staff for their assistance and cooperation during this audit.



Glenn Fernandes, CPA
Director, Internal Audit

Responsible Management Team

Stephanie Jones-Stebbins, Managing Director, Maritime
Kenneth Lyles, Director, Maritime Operations and Security
Lance Lyttle, Managing Director, Aviation
Julie Collins, Director, Customer Experience and Brand Strategy

Background

The Revised Code of Washington (RCW) 43.09.240 requires moneys to be deposited within 24 hours of collection, unless an exception has been granted by the treasurer of the local government. These exceptions are required to be written, certifying that the money is held with proper safekeeping and may not exceed a period greater than one deposit per week.

The table below reflects the total cash (currency and coin) receipts deposited to the Port bank accounts, from January 2018 through December 2019 followed by a brief background of the department and the nature of cash collected.

Department	2018 Revenue	2019 Revenue	Total Revenue	% of Total Revenue
Airport Public / Employee Parking	\$3,343,444	\$2,971,534	6,314,978	87.3%
Shilshole Bay Marina Operations	294,835	233,551	528,386	7.3%
Bell Harbor Int. Conf. Center/World Trade Center	19,942	133,639	153,582	2.1%
Fishermen's Terminal Operations	60,301	84,941	145,242	2.0%
Aviation Customer Service (Airport Lost & Found)*	14,531 *	43,000 **	57,531	0.8%
Bell Harbor (Pier 66) Marina	13,584	6,352	19,936	0.3%
Accounting and Financial Reporting	7,080	5,049	12,129	0.2%
Total	\$3,753,717	\$3,478,067	\$7,231,784	100%

* Reflects non-claimed currency deposited into Port's account

** April through December / Hallmark contract commenced April 2019 (does not include foreign currency)

Airport Public Parking

The garage is the largest parking facility in the region with over 13,000 stalls. Toll booths are operated by 19 cashiers and 14 supervisors who process over 2 million parking transactions. Although most transactions are processed using credit cards, approximately \$3 million is cash.

Shilshole Bay Marina Operations

Located in Ballard, Shilshole provides moorage with slip sizes ranging anywhere from 18 to over 111 feet. Service at the Marina includes free parking, garbage/recycling, and bilge pump-out. Cash is received through moorage payments and coins from showers.

Bell Harbor International Conference Center / World Trade Center

The World Trade Center and Bell Harbor International Conference Center are managed by Columbia Hospitality, Inc., through a third-party management agreement. Cash is collected primarily through a cash bar and various events. In 2019, cash payments for a wedding event and a holiday event totalled approximately \$99,000. Other than reviewing procedures and discussions with Columbia Hospitality management, no further procedures were performed.

Fishermen's Terminal Operations

Provides freshwater moorage for 400 commercial fishing vessels and work boats. The facility opened in 1914 and offers dining and marina services. Cash collections are primarily from moorage.

Aviation Customer Service (Airport Lost & Found)

Cash in this account is derived from the Airport Lost and Found. The Lost and Found operation is outsourced to Hallmark Aviation Services (Hallmark) since April 2019. The funds remain in the Hallmark's custody for 30 days until turned over to the Port's bank account.

Cash Controls

Bell Harbor (Pier 66) Marina

Located at Bell Street Pier/Pier 66, the neighborhood includes Seattle's finest restaurants, hotels, shopping, Pike Place Market, Seattle Center, the Space Needle, and the Seattle Aquarium. The marina offers accommodations for approximately 70 boats, from 30 to 150 feet. Cash collections were primarily from moorage. In late 2019, the marina stopped accepting cash payments.

Accounting and Financial Reporting

Cash collections include reimbursement from unallowable credit card transactions and miscellaneous Port events.

Audit Scope and Methodology

We conducted the engagement in accordance with Generally Accepted Government Auditing Standards and the International Standards for the Professional Practice of Internal Auditing. Those standards require that we plan and conduct an engagement to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our engagement objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our engagement objectives.

The period audited was January 1, 2019 through December 31, 2019 and included the following procedures:

Policies and Procedures

- Verified that policies and procedures existed and determined whether they were being followed.
- Determined whether training was provided to employees handling cash.
- Performed walkthroughs and observed cash handling processes.
- Assessed the effectiveness of monitoring procedures.
- Determined whether cash receipts were reconciled and deposited timely.
- Assessed whether “cash on hand” was excessive.

Cash Handling

- Determined whether individuals counting, recording, and depositing cash were authorized.
- Evaluated segregation of duties.

Safeguards

- Determined whether cash deposit boxes were secured, safes were locked, and keys were controlled.

Schedule of Findings and Recommendations

1) Rating: Medium

Segregation of Duties were not integrated into the cash processes at Fishermen’s Terminal and Shilshole Bay Marina. Staff levels were limited at these locations, however, introducing a few key control enhancements to the existing processes could reduce the risk of misappropriation.

A fundamental element of internal control is the segregation of key duties. The basic idea underlying segregation of duties is that no employee or group of employees should be in a position both to perpetrate and conceal errors or fraud in the normal course of their duties. In general, the principal incompatible duties to be segregated are¹:

- Custody of cash
- Authorization or approval of related transactions affecting cash
- Recording or reporting of related transactions
- Reconciliations

We found that at both Shilshole Bay Marina and Fishermen’s Terminal, the same employee who receives cash from customers can also record cash into the Marina Management System (MMS), reconcile the daily cash received, and prepare the deposit for collection by Loomis for delivery to the Bank. Allowing the same individual to perform these functions violates the key principles of segregation of duties.

Internal Audit recognizes that implementing robust cash controls should be commensurate with the level of risk. Smaller businesses often do not have resources or the ability to hire additional staff to perform these functions, and in certain situations, segregation of duties might be cost prohibitive. However, in these instances, other monitoring or compensating controls such as manager’s spot-checking of daily cash reconciliations and review/approval of cash posting adjustments (e.g., override) can be put in place.

We also identified instances where shower coins were not collected/deposited timely (weekly) as required by RCW 43.09.240.

Finally, at Fishermen’s Terminal, an audit trail of the cash processes to determine who did what, needed improvement. Internal Audit was unable to determine who received cash, who posted receipt of cash in the system, and who reconciled cash. Fishermen’s Terminal did not have cash handling policies and procedures for staff to follow.

Recommendations:

At a minimum, we recommend requiring that two people, as opposed to one, receive and record the cash. We also recommend that management review the reconciliation daily. That way, if misappropriation were to occur, after the initial receipt and recording, it would more likely be detected. These control enhancements to the existing processes should be reflected in written policies and procedures and communicated/enforced to staff who are engaged in cash handling.

¹ The Institute of Internal Auditors (IIA)

Management Response/Action Plan:

Fishing & Commercial Operations/Fishermen's Terminal

Fishermen's Terminal (FT) located on Salmon Bay has been the homeport of the North Pacific Fishing Fleet since 1914. It is a full-service facility designed to service the active commercial fishing fleet. Terminal management acknowledges and accepts the findings of this internal Cash Controls Audit, and will enact the following processes as a response to those findings:

Control Gap 1 - Fishermen's Terminal management shall implement two-person receipt and validation process for checks and cash:

FT has discontinued the person-to-person receipt of moorage and storage payments after-hours. Customers who desire to pay after-hours will be provided an envelope to pay using the Overnight Drop Box. Additionally, all daily deposits will be validated using a two-person process (one staff and one manager).

Control Gap 2 - No managers approval for adjustment (e.g., Overrides) except for account credits:

The Information Communications and Technology department or ICT Client Services Team is taking steps to modify permissions in our existing Marina Management System (MMS) platform.

Effective immediately, written guidance shall be provided to all employees indicating that overrides must be accomplished by a manager or supervisor. Additionally, monthly reviews will be conducted by management to validate compliance. This function has been elevated to a mandatory function in our Vessel Management System (VMS).

Control Gap 3 - No cash handler's ID in system or physical documentation:

An Electronic Stamp will be created to provide signature blocks on the Reconciliation Sheets (produced by the Marina Management System).

Shower coins are not collected/deposited timely (weekly). FT shall improve existing controls to ensure weekly deposits are in accordance with our most current Treasury Waiver. All exceptions to the waiver will be identified in writing. Each explanation will be reviewed by the Senior Manager and the Department Director. Furthermore, Internal Audit's recommendation to discontinue cash collection for showers will be reviewed during our next Tariff #6 Review.

Recreational Boating/Shilshole Bay Marina

Shilshole Bay Marina opened in 1962 and hosts 1,430 recreational boating slip moorages. Of the 1,430 available moorage slips, 350 are allocated for Live-Aboard moorage, which represents approximately 600+ Live-Aboard moorage residents. This represents the largest Live-Aboard community on the West Coast. Shilshole Bay Marina management acknowledges and accepts the findings of this internal Cash Controls Audit, and will enact the following processes as a response to those findings:

Control Gap 1 - No segregation of duties in the daily processes:

Shilshole Bay Marina will maintain a single person to receive and record cash based on staffing limitations. Management will review the daily reconciliation. This process will be defined in a Standard Operating Procedure. Harbor Operations Specialists do not accept after-hours payments.

Cash Controls

Control Gap 2 - No manager/supervisor review in the daily process:

The Information Communications and Technology department or ICT Client Services Team is taking steps to modify permissions in our existing Marina Management System (MMS) platform.

Effective immediately, written guidance shall be provided to all employees indicating that overrides must be accomplished by a manager or supervisor. Additionally, monthly reviews will be conducted by management to validate compliance. This function has been elevated to a mandatory function in our Vessel Management System (VMS).

Control Gap 3 - No cash handler's ID in system or physical documentation:

An Electronic Stamp will be created to provide signature blocks on the Reconciliation Sheets (produced by the Marina Management System).

Coin payment collection boxes to utilize the customer showers have been removed, thus eliminating the need to collect shower coins. With the newly constructed Customer Service Facilities opening this year, management is exploring ways for alternative payment methods to eliminate on-going theft and vandalism associated with these pay-at-point machines. Alternative forms of payment for this service has been endorsed by Internal Audit.

DUE DATE: 6/30/2020

2) Rating: Medium

The Airport (SEA) Lost and Found staff did not follow established procedures on cash handling. Accordingly, during our testing, we were unable to verify transactions where currency received was accurately recorded, retained, released to the claimant or deposited to the Port's bank account.

The Airport Lost and Found office is outsourced to a third party and overseen by the Port's Aviation Customer Service Department. Hallmark Aviation Services (Hallmark) was selected under a service agreement, which commenced in April 2019, to operate the Lost and Found service at SEA. The service agreement requires Hallmark to establish detailed procedures that explain how to account for cash once it is received by Hallmark. The procedures manual, when reviewed by Internal Audit, was deemed comprehensive, and included key controls, including segregation of duties, manager review and approval, and record keeping. The manual included intake protocols, disposition procedures, and special handling procedures for property of high value.

However, Internal Audit's transactional testing identified exceptions throughout the processes. Due to inadequate or missing documentation as required by Hallmark procedures, we were unable to determine that the amount initially received was recorded accurately, agreed to what was placed into the on-site safe, or whether the cash released to the claimant or deposited to the Port account, agreed to the amount received, in many cases. Furthermore, reconciliations to account for cash received, retained, returned, and/or deposited was not performed.

During the audit period, April through December 2019, total cash turned over to Lost and Found, was approximately \$43,000 (excluding foreign currencies), of which approximately \$28,500 was not claimed and deposited into the Port's bank account. The disposition of the Lost and Found property is governed by the Revised Code of Washington 63.21.60 (*Duties of government entity acquiring lost property – Disposal of property*). It states, "If the property is not returned to a person validly establishing ownership or right to possession of the property, the government entity shall forward the lost property within thirty days but not less than ten days after the time the governmental entity acquires the lost property to the chief law enforcement officer." According to Hallmark procedures, unclaimed currency shall be deposit into the Port's account monthly. Of the 15 samples tested, 11 exceeded the 30-day holding requirement by 6 to 75 days, prior to being deposited to the Port's bank account. We were unable to verify the timeliness of four transactions because disposition documentation did not exist.

Recommendations

The Port's Aviation Customer Service team should establish a process with Hallmark to regularly monitor the contractor's compliance with cash handling procedures, to assure that Hallmark:

- 1) Enforces existing procedures with staff through communication and training;
- 2) Monitors staff's compliance with the procedures through, existing review and approval protocols and implementation of daily cash reconciliations; and
- 3) Retains all documentation as required by the procedures.

Management Response/Action Plan:

Aviation Customer Service and Hallmark-Aviation Services agrees with the findings that Hallmark-Aviation staff did not follow establish procedures for cash handling during the audit period. The audit provided a substantial opportunity to carefully review the existing Lost and Found procedures and to review what actions are further needed to improve staff performance.

The Lost and Found at SEA provides a valuable service to customers and provides a peace of mind to thousands of airport guests who lose personal items every day. Since April 15, 2019 when Hallmark-Aviation joined the Port of Seattle, SEA's Lost and Found has recovered a volume of 25,306 items with an average recovery rate of 61%. Of those, 567 items involved currency, amounting to \$43,000 USD, with an average recovery rate of 51%. Hallmark Aviation Services has taken the inconsistencies that were identified in the audit and has rebuilt a foundation of checks and balances that will help prevent any further error. Additionally, the following actions will be taken:

- Request that Hallmark Aviation conduct a root-cause analysis within 30 days of this report to determine why Hallmark employees did not follow the establish procedures and request that Hallmark Aviation identify the corrective measures (training, reports) that will be taken as a result of this report.
- Within 45 days, Hallmark Aviation will implement a new daily reconciliation process and reporting system to document currency transactions.
- Effectively immediately, the Senior Manager, Customer Experience will meet monthly with Hallmark Aviation's Business Manager to review weekly reconciliation reports.

DUE DATE: 6/30/2020

Appendix A: Risk Ratings

Findings identified during the audit are assigned a risk rating, as outlined in the table below. Only one of the criteria needs to be met for a finding to be rated High, Medium, or Low. Findings rated Low will be evaluated and may or may not be reflected in the final report.

Rating	Financial Stewardship	Internal Controls	Compliance	Public	Commission/ Management
High	Significant	Missing or not followed	Non-compliance with Laws, Port Policies, Contracts	High probability for external audit issues and / or negative public perception	Requires immediate attention
Medium	Moderate	Partial controls Not functioning effectively	Partial compliance with Laws, Port Policies Contracts	Potential for external audit issues and / or negative public perception	Requires attention
Low	Minimal	Functioning as intended but could be enhanced to improve efficiency	Mostly complies with Laws, Port Policies, Contracts	Low probability for external audit issues and/or negative public perception	Does not require immediate attention

Appendix B: Cash Memo

To: Lance Lyttle, Managing Director, Aviation

Copies: Steve Metruck, Dan Thomas, Dave Freiboth, Laurel Dunphy, Rudy Caluza, Jeffrey Brown, Borgan Anderson, Pete Ramels, Ryan Calkins, Stephanie Bowman, Christina Gehrke

From: Glenn Fernandes, Director, Internal Audit

Date: February 18, 2020

Subject: SeaTac Airport Parking Garage Cash Controls

In November 2019, Internal Audit (IA) was notified by the Port's Legal and Labor Relations departments of suspicious cash activities at the Cashiers' Toll Booth at the Parking Toll Plaza at the SeaTac Airport. Three cashiers appeared to have been involved in cash misappropriation activities. An exception review of video footage identified suspicious activity by the cashiers. During interviews with the cashiers, two admitted to misappropriating cash and resigned from the Port. The third cashier denied the allegation, and was initially placed on administrative leave, and later terminated from the Port.

Upon reviewing the Parking Cashier transactions for the period October 20, 2017 through October 20, 2019, IA noted that some of the discount codes appeared to be used excessively by some of the cashiers. The three cashiers under question, carried out cash parking transactions ranging between \$4,798 to \$27,890 over the two-year period, of which discounts issued against these transactions ranged between \$3,323 to \$14,655.² It was not possible to determine what dollar amount of the discounted amounts were legitimate, nor how long the fraud had been occurring.

The toll booths are currently operated by 18 cashiers. There are 15 supervisors who oversee the operations and cover three lines of business during a 24-hour operation. Of these 15, six are dedicated to Public Parking, four are dedicated to Ground Transportation, three are dedicated to Employee Parking and the remaining two perform administrative activities. At any given time, only one supervisor is available to supervise the operations at the Cashier Toll Booths. In 2019, airport staff processed over 2.2 million public parking transactions, of which the majority were paid by credit card. Cash transactions accounted for approximately 3% of parking revenue or \$2.8 million.

Without a well-designed system of internal controls that are functioning effectively, cash is more susceptible to loss. Opportunities to commit fraud are more likely to occur under the following three conditions: when internal controls are weak, when there is a lack of segregation of duties, and when management can override preventive controls. Organizations must assure proper controls are in place to protect against fraudulent activity.

Management Response

There are 24 Cashiers (Passenger Service Revenue Representatives) in the Airport's Public Parking function to support a 24/7 operation. There are 6 dedicated Supervisors to the Public Parking business, typically 1 on duty at any time. As stated in the report, three Cashiers were part of this audit for misappropriation of cash. Total Public Revenue exceeded \$82 million in 2019 inclusive of cash and electronic contributions.

² Updated on March 4, 2020

Cash Controls

Discount exceptions were implemented in October 2017 as a customer consideration to allow Cashiers to resolve service issues without further delay to the public. The Audit indicates cash risk totals that appear to be overstated. Since implementation, the 3 Cashiers who were previously with the Port purportedly handled an actual total of \$20,607 in cash discounts. If each of the 3 Cashiers stole the cash for every discount transaction, the total loss would not have exceeded this amount.

In September 2018 an Internal Audit focused on Public Parking cash handling with a risk-based approach. The outcome included several recommendations that were implemented by Public Parking management and had a conclusion that “Landside Operations staff is handling and accounting for parking cash receipts appropriately.”

Control Opportunities

1. Lack of independent approval of discount codes (Segregation of Duties):

Cashiers are allowed to use six types of discount codes to offset the parking charges, without secondary approval; in order to enhance the customer experience. These include:

- a. Service Call (if a vehicle breaks down, the service provider will be allowed complimentary parking)
- b. Long Line Paying at Exit
- c. Exit in Error (if someone gets lost in the garage and exits in error)
- d. Capacity (if the garage has reached its full capacity and no parking is available)
- e. Lost Vehicle Service Call (if a customer cannot locate their vehicle, the additional time lost)
- f. Over Grace Period at Pay on Foot Machine

Recommendations

Secondary approval of all discount codes should be performed by an independent person/supervisor. Providing cashiers, the ability to discount a cash transaction without having a second party approve the discount, is a control weakness.

Management Response

Cashiers have the opportunity to utilize 5 exception codes, or “discount” codes to assist customers at exit. These codes consider customer wait times, lost vehicles, garage capacity issues, and stays over the grace periods. Supervisory intervention for each exception transaction would further exacerbate customer services and likely increase the length of transactions.

As a reaction to the recent issues involving theft of cash, the Public Parking team has partnered with Information, Communication, and Technology (ICT) to produce a new set of reports that detail exception transactions. The new reports will allow significantly improved visibility to each Cashier’s use of discount codes. This report will be reviewed twice weekly by Public Parking management and consistently by the Revenue Review Specialist who supports internal controls and oversight.

2. Lack of monitoring of discount codes:

The primary focus of staff when reviewing the daily “Shift Report by Cashier” is on lost tickets, unreadable tickets, and maintaining the overall cash balance. The reasonableness of the monetary value and frequencies of the discount codes offered by each cashier are not considered.

Recommendations

Staff should regularly review and monitor the reasonableness of the discount codes that are offered by each cashier during their shifts daily. This will help detect the misuse or excessive use of a certain discount code and will decrease the risk for fraudulent activity.

Cash Controls

Management Response

As referenced in action taken related to “Control Opportunities,” management has established a protocol in partnership with Aviation Finance & Budget for a comprehensive review of Cashier exception transactions. This review includes all transactions including exception codes to reveal trends and use of customer discount activity.

3. Limited Review and Storage of Video Recording:

The video footage covering the Cashier’s Booths is not viewed on a regular basis and only stored for a period of two weeks.

Recommendations

Video footage should be stored for at least a period of six months and monitored by Landside Operations staff or by the Revenue Controls Analyst on a regular basis. Staff awareness of independent monitoring should help discourage misappropriation. Additionally, cameras should be checked daily to determine if they are functioning properly.

Management Response

Management has secured video for an extended period to equal the recommendation. Video will be monitored on a regular basis to ensure consistent cash handling.

4. Limited Background Checks:

According to the Background Compliance Specialist, only fingerprint-based criminal history records checks (CHRC) are performed as part of the background check to verify an individual’s criminal history.

Recommendations

Currently, background checks are only performed as part of the application process for SIDA Badges. We recommend more in-depth background checks for cashiers and supervisors, as these positions deal closely with money or finances. This would include the following types of background checks:

- **Criminal History:** these checks help validate whether an individual could pose a threat to customers or create an unsafe work environment.
- **Credit Background:** A credit background check looks into a candidate’s credit history. A person’s credit history is a report from three of the largest credit agencies: Experian, TransUnion, and Equifax. This type of background check can be used to prove whether a potential employee is financially responsible, especially when the position they are interviewing for deals closely with cash equivalents or financial assets.
- **Prior Employment Verification:** An employment verification check allows employers and hiring managers to look back at the candidate’s past work history revealing insights into their job stability, integrity, eligibility for the job.

Management Response

Currently the Port’s Cashiers are qualified as a badge holder with a 10-year criminal history background check and are requalified every two years. Public Parking management appreciates the Auditor’s recommendation for credit checks and will defer final actions to Legal, Human Resources, and Labor Relations for consistency with Port Policy and labor law.

Long-Term Recommendations

- A. Management should consider going cashless at the SeaTac parking garage. Cashless parking is a quick and secure way to pay for parking. Mobile Payment Apps; such as Apple Pay and Google Pay, can also be

Cash Controls

introduced. This will reduce cash embezzlement risk as well as eliminate time-consuming cash management. If the Port has a desire to make cash payments available to airport customers, payment machines should be modified to accept cash, thereby minimizing the human element.

Management Response

Our current process accomplishes more than 80% electronic payment collection. The Auditor's suggestion to consider going cashless may be an obstacle to customers who choose to pay for services with cash or lack a credit or debit account. Our parking revenue control accepts a variety of electronic payment methods and has requirements for Apple Pay and more.

- B. As a "greener" alternative, ticketless entry that allows passengers to park at the garage without a parking ticket, should be considered. Any major credit card can be scanned at the garage entry, and the same card scanned upon exit. This easy and environment friendly process, will encourage customers to use credit cards as opposed to cash. Some examples of National Airports that have implemented ticket less entry include: John Wayne International Airport, Hollywood Burbank Airport and Dulles International Airport. However, these airports also have mechanisms to receive cash.

Management Response

Previous efforts to promote "credit card in and out" had a degree of success but delivered inconsistent results for customers. The concept allows customers to use the same card for entry and exit, ensuring appropriate collection for a parking stay. Our experience included customer confusion about payment, card spending limits, and customers attempting to leave the facility without the card that was used upon entry.

We have several concepts in the works to minimize cash transactions including mobile application payments, pay-on-foot payment unit signage upgrades, and public parking pre-booking option. Each of these provide an alternative to paper tickets and will likely mitigate our use of paper stock.