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From: Glenn Fernandes, Director, Internal Audit

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Subject: Ground Transportation - Taxicabs Issue Follow-Up

Overview

Internal Audit (IA) performed an audit of Ground Transportation – Taxicabs for the period October 2019 to August 2020. The results were captured in report number 2020-16, dated December 1, 2020 and presented to the Audit Committee on December 10, 2020. The audit evaluated internal controls of taxicab operations and identified the following high rated issue:

The reconciliation process to identify and resolve differences between the Port’s Automated Vehicle Identification (AVI) system and the in-house phone billing application (App) needs to be enhanced and performed on a timely basis. Both the AVI system and App are technology-based tools that, when functioning as intended, should produce little to no variance, which will indicate that vehicles are being billed accurately (see Audit Report 2020-16 for complete issue, recommendation, and management response).

Subsequent to the audit, IA performed testing to determine whether a reconciliation process had been established and was operating effectively.

Management Response

The Ground Transportation (GT) team has a system in place to consistently perform monthly reconciliations/comparisons of the Taxi App’s trip activity and the AVI system trip activity. That process continues to be refined and streamlined as the Pilot Program advances.

While we aspire to a 100% match and reconciliation, the process of recording trip activity requires a manual scan of each vehicle accessing the Taxi curb in the airport garage. Challenges remain with the Taxi App and the AVI system recording equivalent numbers of trips. The Taxi App records revenue-generating trips only, as manually scanned by an ABM employee and has risk for human error (missed scan, double scan etc.), while the AVI system reports ALL exits from the Airport.

(Full response in Audit Report No. 2020-16)

Scope and Methodology

Follow-up testing included reviewing reconciliations for the 14 month-period beginning October 2019 and ending November 2020. We performed the following attribute tests:

- 1) Did the reconciliation exist?
- 2) Were differences identified?
- 3) Were the differences explained and resolved?

Results

Based on the testing performed, we determined that the reconciliations had been performed, and differences had been identified. **However, the differences have not been explained and resolved.** Differences exist between the App and the AVI system for a number of vehicles and continue to exist. While it is possible that the App is accurate, thereby billing drivers correctly, Ground Transportation will have to conduct further research to understand what is causing the variances. Internal Audit will leave the issue open until Ground Transportation resolves these issues and will report back to the Audit Committee through the follow-up process.