

INTERNAL AUDIT REPORT

Operational Audit – Airport Parking Garage

January 2022 – July 2023



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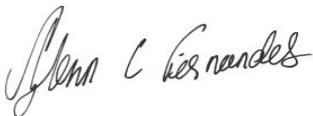
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Executive Summary

Internal Audit (IA) completed an audit of the Airport Parking Garage for the period January 2022 through July 2023. The audit focused on Public and Employee Parking operations at the main parking garage at the Seattle-Tacoma International Airport (SEA). Our audit scope included: controls over cash handling, controls related to parking garage access, and compliance with applicable laws, regulations, and rules.

In general, Port of Seattle (Port) management's cash handling controls at Public Parking were aligned with policies and procedures, and have improved since our previous review in 2020. Our audit, however, identified opportunities where internal controls could be enhanced or developed in relation to policy compliance, management oversight, ongoing monitoring, and data review, as listed below and discussed in more detail beginning on page eight of this report.

1. **(High) Complimentary Parking** – We identified 603 instances of misuse of complimentary parking cards issued to organizations that have business at the airport. The cards, and the associated Port policy, allowed their staff to park at the Airport Parking Garage for 24 hours or less. This amounted to approximately \$74,000 in unbilled parking revenue, during our 18-month test period.
2. **(High) Complimentary Parking** – The Port needed to enhance controls relating to retrieving and shutting off complimentary parking cards for employees who leave the Port. By looking at the 1,397 active employee parking cards, we identified 99 active cards that were assigned to employees who were no longer employed by the Port, 16 of which continued to use their cards after separation from the Port.
3. **(Medium) Complimentary Parking** – Controls to deactivate complimentary parking cards at the end of lease agreements, were not functioning as intended. From a sample of ten terminated leases, we identified one lessee whose parking card was still active and continued to be used.
4. **(Medium) Complimentary Parking** – Controls to deactivate complimentary parking cards at the end of a 12-month duration (unless reapplied and renewed), for contractors, consultants, and airline workers, were not functioning as intended. Online request forms were generally not used, and when used, some were incomplete or inaccurately reflected in the parking system.
5. **(Low) Cash Controls** – The Employee Parking Office's cash controls needed to be improved. Although the dollar amounts are small, the inherent risk of cash is high.



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Background

The Seattle-Tacoma International Airport (SEA) Parking Garage is owned and operated by the Port of Seattle, a municipal corporation, organized under statutory authority of the State of Washington. The main parking garage is the largest parking facility in the region, with approximately 12,000 sellable stalls. The garage offers General parking and Terminal Direct parking. General parking is available on floors one through three and five through eight. Terminal Direct parking is available on the fourth floor and provides direct access to the main terminal via sky bridges at a slightly higher cost.

Landside Operations operates four business units: 1) Public Parking, 2) Employee Parking, 3) Ground Transportation, and 4) Airport Transit Operations. This audit focused on the Public and Employee Parking operations.

Public Parking

The cashier toll booths are currently operated by 17 cashiers, and 15 supervisors who oversee operations and cover three lines of business during a 24-hour period. Of these 15 supervisors, 7 are dedicated to Public Parking, 3 are dedicated to Ground Transportation, 3 are dedicated to Employee Parking and the remaining 2 perform administrative activities. At any given time, only one supervisor is available to supervise the operations at the toll booths.

The following, two tables provide Public Parking and Employee Parking revenue information:

Table 1 – Public Parking and Employee Parking Revenues at Main Parking Garage (Accrual Basis; amounts are rounded to the nearest dollar.)

	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Forecast*</u>
Drive-Up Parking (General & Terminal Direct)	\$47,994,394	\$70,648,040	\$83,732,167
Pre-Booked Parking	11,267,894	11,050,132	16,380,389
Passport Parking	2,757,804	4,096,579	5,093,218
Public Parking Revenue (Garage ONLY)	62,020,091	85,794,751	105,205,774
Other Revenue	27,202	29,981	20,200
Doug Fox Concession Revenue	2,594,343	2,884,855	3,923,259
Total Public Parking Revenue	\$64,641,636	\$88,709,587	\$109,149,233
Public Parking Transactions (Drive-Up + Pre-Booked)	1,434,672	1,771,399	1,979,124
Employee Parking Revenue	\$9,067,131	\$10,615,514	\$10,734,670

*Annual forecast as of 10/18/2023, subject to future changes.

[Sources: Aviation Finance & Budget, Public Parking Responsibility Reports.]

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Table 2 – Public Parking Revenue by Payment Type - Processed at Toll Plaza Cashier Booths (Cash Basis; amounts are rounded to the nearest dollar.):

	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Actual</u> <u>YTD (9/17/23)</u>	<u>Percentage</u>
Cash/Check Receipts	\$1,653,720	\$1,539,924	\$1,149,119	1.6%
Credit Cards	55,431,161	82,072,858	69,426,101	98.2%
Others (e.g., Payment Apps)	15,343	28,625	123,131	0.2%
Total (SSRS)	\$57,100,223	\$83,641,406	\$70,698,352	100.0%

[Sources: Aviation Finance & Budget, SQL Server Reporting Services Production (SSRS) reports.]

As of September 17, 2023, the staff had processed over 1.3 million Public Parking transactions, of which a majority were paid by credit card, followed by cash/checks, and increasingly by payment applications (e.g., Google Pay, Apple Pay, etc.).

The Aviation Revenue Controls Analyst within Aviation Finance & Budget, has been charged with independent monitoring of revenue and process/controls, including: verification and monitoring of daily cash receipts/reconciliations; issue tracking, follow-up, and resolutions; and monthly reporting to the Manager of Landside Operations for Public Parking.

Employee Parking

Employee Parking encompasses parking for Port employees, contractors, consultants, tenants (i.e., concessionaires), airline workers, and TSA staff, etc. As of September 2023, a system data report showed approximately 18,000 active permits. Revenue generated from Employee Parking has been steadily increasing from approximately \$9 million in 2021, to \$10.6 million in 2022, and is forecasted to be over \$10.7 million in 2023. Major Programs include:

- Complimentary Parking Program – The Port offers this to Port employees, contractors/consultants hired for projects (based on the number of projects and sponsoring department’s approval), tenants (one – six or more cards based on operating units), and airline companies (maximum of three).
- Passport Parking (PP) Program – The Port has a monthly parking program that provides unlimited access to the Terminal Direct/skybridge level (Floor 4) of the main parking garage. This program was indefinitely closed to all new enrollments on July 1, 2023. A new Passport Gold Parking program was offered to existing PP account holders, to a maximum of 50 access cards, for the Terminal Direct (Floor 4) access for \$1,000/month. The remaining PP account holders were only allowed access to General Parking (Floors 1 – 3 and 5 – 8) for \$500/month.
- Paid Employee Parking Program (Company paid or self paid) - Any of the above-noted individuals or companies may purchase monthly paid parking.

The Employee Parking Office relocated into the new Employee Service Center, on the Mezzanine level of the Airport Office Building in October of 2022. The Office with a manager and three staff (one Billing Specialist and two Customer Services Specialists) manage the Employee Parking operations for both the main parking garage and the North Employee Parking Lot (NEPL).

Airline workers are required to park at NEPL but were allowed to park at the main parking garage during the pandemic from March 23, 2020, through June 1, 2023. Construction company workers park at a designated, offsite parking lot, located south of the airport.

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Parking Systems

The system called ParkingSoft, which is owned by T2 Systems, has been providing cloud-based software enabled PARCs (Parking Access Revenue Control Systems) at the main parking garage. The T2 Flex system (T2 Flex) upgrade in June 2022 replaced two legacy parking systems: Port Parking System (PPS), which was used to manage monthly parking passes at the airport parking garage and NEPL, and Scannet, which controlled the parking entry/exit to the NEPL. The Employee Parking data migration from ParkingSoft to T2 Flex continued through August of 2023 when it went live for Public Parking. In the meantime, those two systems had been operating in parallel for Employee Parking.

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 North Employee Parking Lot, parking billing and collections, as well as parking revenue system access controls, physical security controls, historical issues, and other risks related to the new system, T2 Flex, that might compromise system stability, were outside of this audit scope.

We used 100% sampling for all the below-listed tests except, the lease agreement termination and daily cash reconciliation tests, where we used judgmental sampling methods to determine the samples selected. In those cases, the results of the work cannot be projected to the population as a whole. The period audited was January 2022 through July 2023 and included the following procedures:

Interviews and Process Walkthroughs

Interviewed and performed process walkthroughs with key stakeholders, including the following, to gain an understanding of the business processes and related controls, and/or prior audit follow-ups:

- Landside Operations – management and staff (including a cashier, several supervisors, and customer services specialists)
- Aviation Finance & Budget – Senior Manager and Aviation Revenue Controls Analyst
- Airport Dining & Retail, Engineering, and Aviation Commercial Management Departments – Senior Managers

Document Review

Reviewed relevant documentation, including: Parking Policies and Procedures, Standard Operational Procedures, reports, etc., which were related to cash handling and parking card access controls.

Testing – Public Parking and Employee Parking Cash Controls

- Performed limited reviews of daily cash receipts, recording, reconciliations, and compliance with RCW 43.09.240, daily cash deposit/waiver requirements.

Testing – Employee Parking Access Controls

1. Complimentary Parking – Deactivation of Access Cards – Performed multiple tests by parker types and per the Parking Policy requirements:
 - a) “Ghost Employee” Tests – A comparative analysis of all Port employees on the parking system, against those per the HR current and terminated employee lists, and followed up on unmatched instances.
 - b) Deactivation upon contactor/consultant/tenant lease agreement termination.
 - c) Deactivation/reapplication/renewal upon a 12-month duration cap for contractors/consultants.
 - d) Deactivation of inactive access cards for 30 days – Waived this test due to the fact that this parking policy requirement had not been enforced.
2. Complimentary Parking – Tested extended stay/overnight parking by all card holders who were granted to park up to 24-hours but parked beyond the allowable 24 hours.
3. Paid Parking – Tested airline workers’ parking garage switchover, effective 6/1/2023, from the main parking garage where they were allowed to park during Pandemic, back to the North Employee Parking Lot.

Observations

- Public Parking (Toll Plaza) – Cashier booth/drawers, cash count room/safe/key box, etc.
- Public Parking (Toll Plaza) – Cashier booth video footage monitoring by manager/supervisors.
- Employee Parking Office (Mezzanine level within the Employee Service Center) - Cash drawers, safe, and parking access card stocks.

Schedule of Findings and Recommendations

1) Rating: High

We identified 603 instances of misuse of complimentary parking cards issued to organizations that have business at the airport. The cards, and the associated Port policy, allowed their staff to park at the Airport Parking Garage for 24 hours or less. This amounted to approximately \$74,000 in unbilled parking revenue, during our 18-month test period.

The Port offers complimentary parking to contractors that are working on Port projects. The parking cards issued for contractors fall under Landside Operations' Non-Revenue Policy & Procedures, which states that the access card is to be used only by authorized cardholders and does not include privileges for business travel, vacations, training, or vehicle storage. It also states that parking over 24 hours will incur daily rate charges.

For our scope period from January 2022 to July 2023, we tested all parking cards which were issued to 55 companies under this policy, and were used to park over 24 hours, and identified widespread abuse and non-compliance with the agreement. From the instances that we identified, where individuals parked for more than 24 hours, during our 18-month test period, we estimate the charges that should be billed to organizations, per the parking policy, amounts to \$74,000. (See below Table 1) Unwarranted use of complimentary parking cards beyond allowed hours would result in revenue loss to the Port as it missed opportunities to make the parking space available for the travelling public. Additionally, it would represent a breach of trust between the Port and the organization to which the cards were issued.

Table 1 – Test Summary – Use of Complimentary Parking Cards for Greater Than 24 Hours:

Test Item	Results
Total Hours	62,123 hours or 2,591 days; approx. \$74K lost revenue to the Port
Average Days	4.3 days
Max Days by Card Holder	One Concessionaire (Chalo) worker - total of 112 days for 10 parking instances
Average Days/Instance – Over 10 Days (Individual)	Average for top violators: 1. Hallmark Aviation (13.60) 2. CI Crews (12.20) 3. Hensel Phelps (11.6) 4. Chalo (11.18) 5. TSA (10.45) 6. McDonalds (10.38)
Average Days/Instance – Over 10 Days (Company)	Average for top company: 1. Hallmark Aviation (13.60) 2. CI Crews (12.20) 3. Chalo (11.18) 4. McDonalds (10.38)

Per Information & Communication Technology (ICT), ParkingSoft (the old parking system), did not have the capability to distinguish 24-hour Grace (allowed to park up to 24 hours) or Long-Term Grace (allowed to park with no limit); therefore, there was no system report for management to review for monitoring the card users' compliance. The new Flex system does have the capability and it has been implemented.

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During testing, we also noted a side issue about reusing/reissuing returned cards to another holder, which was creating system data errors (i.e., carrying over historical data to the next person, duplicating transactions for the same card, etc.). This issue was also observed in other tests we performed.

Recommendations:

1. Enforce the Complimentary Parking Policy compliance and charge organizations for violating the policy and parking beyond the allowed 24-hour grace.
2. Design and implement automated solutions for ongoing monitoring and data review, utilizing proper tools (system usage, exception reports, queries, etc.).
3. Bill back to 166 card holders who belong to 55 companies for hours parked beyond 24 hours (currently estimated to \$74K in total).
4. Discontinue reusing/reissuing returned cards to avoid system errors.

Management Response/Action Plan:

Aviation Landside agrees with the findings of the audit and recommendations as stated under item #1 and #2. SEA's previous parking revenue control system (PARCS) had no capability to charge complimentary cards for staying over 24 hours in SEA's Main Garage, making it impossible to enforce at the time of exit. In August 2023, a new PARCS was deployed which is configured to charge overstays and manage specific access policies including the 24-hour maximum allowable stay. Landside Operations agrees to revise its Complimentary Parking policy for third-party entities to provide access up to 24 hours with any overstays at posted public parking rates; payment in full (i.e., for any overstay) would be expected upon exit of the parking garage.

Also, Landside Operations agrees that automated enforcement is fundamental to improved compliance. Landside shall develop reports with the assistance of ICT showing complimentary parking overstays for periodic and regular review by Landside staff.

Other processes such as documenting standard operating procedures will be reviewed to see if improvements should be made to better manage complimentary cards as recommended under #4 above.

Finally, Landside along with Aviation Finance and Budget, and Aviation Commercial Management will evaluate the feasibility of collecting revenues from the 166 card holders indicated in audit recommendation #3 above.

DUE DATE: 12/31/2024

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2) Rating: High

The Port needed to enhance controls relating to retrieving and shutting off complimentary parking cards for employees who leave the Port. By looking at the 1,397 active employee parking cards, we identified 99 active cards that were assigned to employees who were no longer employed by the Port, 16 of which continued to use their cards after separation from the Port.

Comparison of 1,397 active parking cards issued to Port employees, against Human Resources' (HR's) terminated and current employee lists, identified 99 active cards in the parking system issued to Port employees, who had been terminated. The test also noted that 16 terminated employees had used their parking cards after their termination dates.

The Port's offboarding process is manual and dependent on departments to provide this information to the Employee Parking Office (EP), however, when this does not occur, employee parking cards can be left on indefinitely. Unwarranted use of complimentary parking cards would result in revenue loss to the Port as it missed opportunities to make the parking space available for the travelling public.

Complimentary Parking Policy & Procedures for Port employees existed, but appeared to be outdated, were at high level and were generic; lacking specific and detailed procedures to hold responsible card authorizers accountable.

There was no clearly established communication and information workflow between HR and EP to assure that EP was notified of terminated employees regularly. Per EP, due to a short-staffed situation, they might have received HR reports, but a report review did not happen as it should.

Recommendations:

1. Seek ways to better tie into the Port's offboarding process, so that parking cards can be deactivated when an employee terminates. Complement this with a periodic control where an HR Active Employees list is compared with active parking cards.
2. Add a field in the FLEX parking revenue system to capture Employee ID Number to facilitate the comparison between HR data and FLEX parking data.
3. Revise, implement, and enforce more comprehensive Complimentary Parking Policy and related Procedures for Port employees.

Management Response/Action Plan:

Aviation Landside agrees with the findings and recommendations as presented. The Port of Seattle process for employee off-boarding includes the return of parking cards and other credentials necessary for employment at the Port. It is the responsibility of supervisory staff throughout the Port to collect parking credentials when an employee separates from the Port and, on a timely basis, notify Human Resources (HR) through the PeopleSoft application. Once notified, Landside Operations is prepared to review HR reports and make the necessary changes to the employees' parking credentials. Aviation Landside will investigate options to receive scheduled reports for employee terminations to use as a backup information source to improve timely parking card terminations. Policy and procedures related to this activity will be reviewed and updated to improve timeliness and accuracy.

DUE DATE: 12/31/2024

Controls to deactivate complimentary parking cards at the end of lease agreements, were not functioning as intended. From a sample of ten terminated leases, we identified one lessee whose parking card was still active and continued to be used.

While no concrete policies exist to define the process of collecting and shutting down parking cards for terminated lease agreements, the Port typically allows tenants 15 – 30 days from lease expiration to decommission lease space and up to 60 days to return Port assets, including badges and parking cards.

We tested a sample of ten terminated lease agreements (two Aeronautical, six Business Development, and two Concessionaires) and noted one terminated Concessionaire, Fly Baby LLC dba Lightly's parking card was still active after the lease had expired on April 30, 2023, and was used several times in July and August of 2023. The physical parking card was not returned to the Employee Parking Office (EP). In response to our finding, EP deactivated the card on October 12, 2023.

Unwarranted use of complimentary parking cards would result in revenue loss to the Port as it missed opportunities to make the parking space available for the travelling public.

Complimentary Parking – Non-Revenue Policy & Procedures exist but appear to be outdated. They are kept at a high level, are generic for contractors, consultants, tenants, and airline workers, and lack specific and detailed procedures to hold card authorizers accountable.

Currently, there is no established communication and information workflow between Airport Dining and Retail (ADR) and EP to assure that EP is notified of terminated lease agreements regularly. ADR's current lease termination process requires tenants to return parking cards to EP instead of ADR collecting and returning them to EP.

We did not test any terminated capital projects because there were none during the audit period. However, inquiries with the Engineering Department indicated a need for increased communication with EP on terminated projects.

Recommendations:

1. Revise, implement, and enforce more comprehensive, and detailed Complimentary Parking – Non-Revenue Policy & Procedures.
2. Establish processes and protocols with ADR, Engineering, and other departments that request complimentary cards for contractors, consultants, and tenants. These should require communication and exchange of information on terminated lease agreements, construction, and other projects at least on a quarterly basis, to assure that complimentary cards are deactivated timely.
3. Reconcile all active complimentary parking cards with active tenants.
4. Bill back to Fly Baby LLC for card usage in July and August 2023.

Management Response/Action Plan:

Aviation Landside agrees with the findings and recommendations #1 through #3 as presented. To appropriately manage the Main Parking Garage, Landside Operations must establish clear Complimentary Card policies and procedures for Port-managed non-revenue card usage including the practice of providing Project Management Group and Port Engineering with complimentary cards to issue to contractors. Landside will work with Aviation Properties and Aviation Commercial Management to establish clear non-revenue policies and procedures and implement appropriate changes to airport leases. Landside and ICT staff will investigate whether Propworks, the Port's property management

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system, can help manage the complimentary card policy. Changing practices related to contractor use of the Main Garage could have a significant impact on the airport's capital program and should be considered in coordination with those departments responsible for project delivery.

Landside will work with Aviation Commercial Management's Airport Dining and Retail staff and airport executives to determine the feasibility of collecting for complimentary card usage by Fly Baby LLC per recommendation #4 above.

DUE DATE: 6/1/2024

4) Rating: Medium

Controls to deactivate complimentary parking cards at the end of a 12-month duration (unless reapplied and renewed), for contractors, consultants, and airline workers, were not functioning as intended. Online request forms were generally not used, and when used, some were incomplete or inaccurately reflected in the parking system.

The Complimentary Parking – Non-revenue Policy and Procedures that apply to contractors, consultants, and airline workers, are silent on a 12-month card reapply/renew requirement. However, Employee Parking management and staff both confirmed that the requirement had been enforced and parking cards had been deactivated, unless reapplied and renewed at the end of the 12-month duration based on the effective start date and end dates.

Our test of card duration based on the activation and deactivation dates per parking system data (100% sampling of 370 active cards issued to Permit Control Groups: Contractors, Clark, Hensel Phelps, and Hoffman (construction companies), and some with blanks fields, noted:

- 352/370 (95%) parking cards were issued for longer than 12 months. Effective end dates entered were generally in excess of 12 months.
- 257/370 (69%) parking cards did not have any approved parking request forms.
- In addition, for 34/323 (11%) parking forms we reviewed, including other Permit Control Groups, approved parking request data entries were inconsistently recorded in the FLEX system (E.g., data entry errors where the end date requested per the requested form was less than one year from start, but the effective end date entered in the system was for a full year or longer.)

The Employee Parking Office receives parking card requests from business areas via various routes (e.g., by call, email, etc.) besides the established, online Request/Approval Form submission. Currently, no review/monitoring process is established to assure the FLEX system data entries and the approved parking request forms are in agreement. Card deactivation is a manual process and is not programmed in the parking system, except for no payment cases. The current condition indicates operational inefficiencies and the lack of recorded approvals for card requests could result in card abuse.

Recommendations:

1. The Complimentary Parking Policy needs to be updated to reflect the 12-month reapplication/renewal requirements. If a period more than 12 months is needed, it should be reflected in the policy and tied to eligibility.
2. Design and implement automated solutions for ongoing monitoring and deactivation processes, with proper tools (system usage, exception reports, queries, etc.).
3. Include a permit number in the Request/Approval form to clearly identify the card holder.
4. Require the requesting department to fill out a Request/Approval form completely, including all required data fields (e.g., badge number, license plate number, etc.).

Management Response/Action Plan:

Landside Operations agrees with findings and recommendations as presented. We agree that the 12-month period from issuance is appropriate. We also strongly believe in recommendation #2, that automated solutions for card management are superior to manual review and deactivation. Given the number of non-revenue cards issued to support various aspects of airport operations, Landside is concerned about the staffing implications for manually reviewing and managing credentials on an ongoing basis. Landside and ICT staff will evaluate existing PARCS functionality to identify potential automated solutions to minimize errors and improve management control.

DUE DATE: 11/30/2024

5) Rating: Low

The Employee Parking Office's cash controls needed to be improved. Although the dollar amounts are small, the inherent risk of cash is high.

Currently, segregation of duties is not established within the daily cash receipting/recording/reconciling/bank depositing processes and these functions are performed without the manager's involvement. Each of the three staff (one Billing Specialist and two Customer/Administration Support staff) has a cash drawer and receives/records/reconciles/prepares bank deposits for Loomis pickup. There is no independent verification of daily reconciliations/bank deposits prepared by staff. While the cash receipts level is much smaller (approximately \$9K cash/check receipts recorded in PeopleSoft General Ledger through September 2023) than that of Public Parking's and Loomis pickup is weekly (every Friday), independent verification could strengthen the small office control environment.

The Aviation Revenue Controls Analyst, used to informally and at "high level," review Employee Parking cash receipts, as it was included in daily bank deposit form at the Toll Plaza and as part of the bank reconciliation process. This review ended when the Employee Parking office relocated.

We also noted that comprehensive, standard operational procedures (SOPs) were not in place, during the audit period. These should exist to allow staff to follow parking policies and related processes/protocols (i.e., cash receipting, recording, reconciliations, depositing, reporting; parking card request, creation, activation, and deactivation; revenue monitoring and reporting, etc.). Landside Operations SharePoint Policies and Procedures folders existed, but consisted of a collection of various forms, reports, parking policies, bus driver's guides, etc.

Recommendations:

1. Establish an independent verification process: Include Employee Parking cash receipts into the Aviation Revenue Controls Analyst's daily reconciliation/bank reconciliation/verification process.
2. Develop detailed SOPs and train staff to follow through the cash handling processes.

Management Response/Action Plan:

Landside Operations agrees with the findings and recommendations as presented and will explore options to improve segregation of cash handling duties. A robust response to this finding may mean staff other than the Aviation Revenue Controls Analyst may provide the recommended independent verification. Landside Operations will coordinate with Aviation Finance and Budget to identify and implement increased cash handling controls. SOPs related to cash handling will be established for this function.

DUE DATE: 6/30/2024

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/ Operational Impact	Internal Controls	Compliance	Public	Commission/ Management
High	Significant	Missing or partial controls	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	Moderate probability for external audit issues and / or negative public perception	Requires attention
Low	Minimal	Functioning as intended but could be enhanced	Mostly complies with Laws, Port Policies, Contracts	Low probability for external audit issues and/or negative public perception	Does not require immediate attention