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Comptroller

COUNTY OF ONONDAGA

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June 1, 2018

Onondaga County Legislature  
401 Montgomery Street, Room 407  
Syracuse, New York 13202

**Re: *Audit Report Concerning OnCenter Parking Garage Revenue Recognition***

Dear Legislators:

Please find this Office's audit report on OnCenter Parking Garage Revenue Recognition (the "Audit"). This Audit is a direct result of the previously released audit on the Trust & Agency Account for Parking/Transportation Flex spending.<sup>1</sup> Certain irregularities in the balances for individuals led this Office to review the policies and procedures of the OnCenter Parking Garage.

I am pleased to report SMG's management team cooperated without efforts and took immediate action when able to. For example, SMG was aware the garage's original software was antiquated and had operational issues. As upgrading the system was a capital expense, it could only be done with the County's authorization. Other areas under direct control of SMG's operations either have been changed or are in the process of changing.

One such area relates to the management of monthly parking cards. We found 297 cards were being used but no records indicated those cardholders were being properly billed. Using the rate at which County employees are charged (\$75.00), we extrapolated a potential loss (i.e., maximum loss) of over a quarter million dollars annually. SMG responded to this finding by stating:

"Based on our current numbers with the new system installed it shows a 10% variance in monthly parking revenues from FY17 to FY18 as opposed to 44% being reported in the audit."

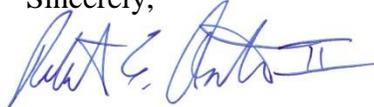
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<sup>1</sup> <http://www.ongov.net/comptroller/documents/ParkingFlexApril2018.pdf>

The 10% cited by SMG still represents an approximate \$60,000 annual loss. SMG responded to our concerns by implementing a new storage procedure for unissued card stock and a new billing policy which includes the deactivation of unpaid cards.

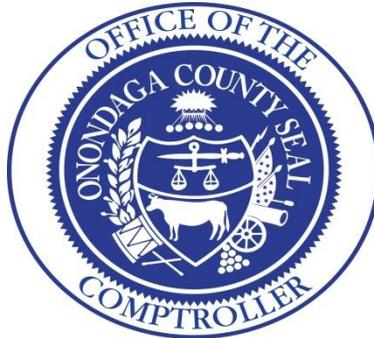
We are pleased with the promptness by which SMG addressed our concerns. We look forward to revisiting this matter in 18 to 24 months. Should you have any questions or concerns, please do not hesitate in contacting this Office directly.

Sincerely,



Robert E. Antonacci II

cc: Onondaga County Executive  
SMG



**Report on  
OnCenter Parking Garage Revenue Recognition**  
By Onondaga County Comptroller Robert E. Antonacci, CPA, Esq.

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# **SECTION I**

## **Introduction and Executive Summary**

### **Introduction**

During the course of an audit of the Trust & Agency Account - Parking/Transportation Flex, abnormally high balances for individual employees were observed. At the same time, employees of the Department of Audit and Control noticed their individual flex accounts were not being charged by their parking lot vendor. The common denominator was the OnCenter Parking Garage. These irregularities led to this audit.

Pursuant to a management agreement between Onondaga County (the “County”) and SMG, SMG shall manage certain facilities including the OnCenter Garage (the “Garage”). The County pays a base monthly management fee of \$16,250 (adjusted annually beginning January 1, 2014 to reflect the percentage change in the Consumer Price Index). Individuals working at the Garage are hired and employed by SMG and those individuals are paid as an operating expense of the facilities covered by the management agreement. Operating expenses are paid out of operating revenues. In the event revenues are insufficient, the County shall be liable for such expenses.

The Garage is subject to the City/County Garage Agreement which provides for, among other things, the distribution of any net proceeds resulting from the operation of the Garage.

### **Executive Summary**

SMG has not performed their duties under the management contract to “keep full and accurate accounting records.” As a direct result Onondaga County has not fulfilled their fiduciary duties to the City of Syracuse contained in the Municipal Agreement. This is most evident in the recordkeeping of parking garage electronic access cards. This has resulted in significant loss of parking revenue over multiple years. During the month of August 2017 alone the audit determined 297 individual electronic access cards were in use at the parking garage but could not be traced to documentation proving payment. By annualizing that card usage, at the monthly county employee rate of \$75.00 per month for 12 months, it can be estimated that potentially \$267,300 of unrecorded revenue occurred in 2017 alone.

The objectives of this audit were to:

- Determine whether adequate controls were in place over parking garage transactions, cash collections, credit card sales and issuance of electronic access cards.
- Determine if parking garage electronic access cards, pre-pay event paper tickets, and machine paper tickets were properly safeguarded.

- Review financial records associated with the revenue collection process of the parking garage to ensure they were in compliance with the Municipal Cooperation Agreement.

Over the course of the audit we found the following:

1. SMG charges varying amounts for monthly parking ranging from \$34.00 to \$75.00. Onondaga County employees are the largest group of monthly parkers and pay the highest rate. SMG, Onondaga County, and City of Syracuse earn the most monthly parking revenue from Onondaga County employees.
2. SMG's financial operations failed to provide oversight of monthly parking revenue operations.
3. We noted SMG's management was aware the garage's original antiquated software system had operational issues such as being unable to make a correlation with payments to access cards. Replacing the system would have been a capital expense and would have required County approval.
4. We noted SMG's management failed to implement alternative procedures to ensure payments were being received from monthly parkers.
5. Not all documentation requested for the audit periods being tested could be provided by SMG which limited the scope of the audit.
6. Lack of segregation of duties reduced or eliminated effective controls over the collection, recording and reconciliation of monthly garage parking fees.
7. Inadequate recordkeeping of the Parking Flex Trust and Agency account of County employee's participating in the Best Flex Program resulted in estimated loss of income of \$14,600 in 2016 and \$6,600 2015.
8. Improper control over unissued parking garage electronic access cards.
9. Inadequate record keeping of issued parking garage electronic access cards.
10. Reconciliations between electronic access card activity and garage fee payments are not being performed resulting in a potential loss of income.
11. Policies and procedures for revenue recording and cash handling are lacking to ensure proper recognition of revenue and payment.

Our recommendations include:

1. We recommend SMG's management upgrade all parking garage equipment and software to ensure proper recording of all revenue and payment collection.  
*Note: the parking garage electronic access card system, policies and procedures were upgraded in January 2018 which should assist in eliminating several of the audit findings.*
2. We recommend SMG's management develop policies and procedures to ensure proper segregation of duties are implemented for garage fees collection, record keeping and reconciliation processes. The general rule is no one person can control enough of any transaction so an error or irregularity could occur during their normal course of duties in which they could hide or falsify the transaction and conceal the errors to avoid detection.
3. We recommend SMG develop policies and procedures to ensure proper fiscal oversight of parking garage activities.
4. We recommend SMG's management review parking garage policies and procedures in regard to safeguarding electronic access cards, event pre-pay paper tickets, and machine paper ticket stock.
5. We recommend SMG's management develop policies and procedures that include reconciling daily electronic access card activity to issued and paid electronic access cards.
6. We recommend management develop policies and procedures to address circumstances involving declined credit cards and unpaid monthly electronic access cards.
7. We recommend all monthly rates being charged are supported and documented in writing from either an SMG executive or from an executive administrator from Onondaga County.

## **Section II Background**

### **Background**

A Municipal Cooperation Agreement was made and entered on January 15, 1992 between the County of Onondaga and the City of Syracuse for the purpose of providing for the design, construction, operation and maintenance of the Convention Center (OnCenter) Parking Garage.

The agreement provided for a sharing in the net receipts after operating expenses between the two entities.

The following is according to Article VI-Income and Losses contained in the agreement:

“6.0 The parties agree that any net receipts after operating expenses, hereinafter referred as NET OPERATING INCOME, be allocated among the parties in accordance with their percentage interests in the GARAGE as reflected by their capital contributions toward design and construction under this agreement.

6.1 Any net loss, as reflected by operating expenses in excess of net receipts shall be allocated to the parties based on their percentage interests as reflected in paragraph 6.0.

6.2 The fiscal year for the GARAGE shall be the calendar year. Net receipts shall be monthly and daily fees collected, less any applicable sales or other tax. Operating expenses shall include labor, security, management fee, utilities, insurance, repairs, elevator service, equipment repair or replacement, plowing, supplies, and payments to maintenance reserves, and other contingency reserves as may be authorized by law. Operating expenses do not include any payments toward COUNTY and/or CITY debt service, or any administrative overhead which may be incurred by the COUNTY on the Convention Center Complex.

6.3 The COUNTY shall keep, or cause to be kept, adequate books and records of all the GARAGE receipts and expenditures. The CITY shall have the right to review such books and records at any reasonable time. At the end of each fiscal year the COUNTY shall prepare a final accounting for purposes of allocating NET OPERATING INCOME and/or Net Losses. The CITY shall be paid its allocable NET OPERATING INCOME not later than 90 days from the notice of said final accounting. The CITY shall pay to the COUNTY its allocable share of any Net Loss not later than 90 days of the notice of said final accounting, except as provided for in paragraph 6.7.”

Per the municipal agreement the County will operate, maintain, and manage the garage. The County shall determine the nature of the management structure whether by competitive contract with a private operator, Convention Center/War Memorial Complex management corporation, or such other management structure that the County deems appropriate. This determination shall be done in consultation with the City.

A Facility Management Agreement was made between the County of Onondaga and SMG on July 1, 2012 that extends through the renewal term to December 31, 2021. The agreement is for SMG to provide management services, including operations and marketing services for public assembly facilities in the county. The OnCenter Garage (the “Garage”) is included in this agreement, CT # 24512. The agreement is for a base management fee of \$16,250 a month and an incentive fee based upon performance measures. Both are adjusted upward each year by the percentage change in the Consumer Price Index – All Urban Consumers (CPI-U).

## **Scope:**

The purpose of this audit was to provide information and recommendations to SMG's administration regarding the policies and procedures in place for the recording and collection of parking garage revenue based on our test period of January 2016 through August 2017.

Our objectives were to:

- Determine whether adequate controls were in place over parking garage transactions, cash collections, credit card sales and issuance of electronic access cards.
- Determine if parking garage electronic access cards, pre-pay event paper tickets, and machine paper tickets were properly safeguarded.
- Review financial records associated with the revenue collection process of the parking garage to ensure they were in compliance with the Municipal Cooperation Agreement.

This audit was limited to the daily parking, monthly parking, and special event parking revenues for the OnCenter garage.

Our testing of monthly garage access to SMG's electronic access card listing was limited to the month of August 2017, as requested prior period months could not be provided from the system. Another contributing factor was the lack of a historical list of activated cards issued as well as an accurate current issued card listing.

## **Methodology:**

In order to complete our objectives we:

- Reviewed the Municipal Cooperation Agreement between the City and County.
- Reviewed the Management contract between the County and SMG.
- Reviewed OnCenter garage parking policies, procedures and internal controls.
- Reconciled daily parking ticket validations to daily revenue reports.
- Traced cash receipts to daily deposits.
- Traced daily revenue reports to general ledger accounts.
- Traced general ledger entries to bank statements.
- Compared parking system electronic access card activity report to known list of monthly access card holders provided by parking garage manager.
- Compared batched credit card processing report to known list of monthly access card holders.
- Traced batched credit card processing report to daily parking garage report.
- Verified payment for billed monthly parkers.
- Tested safeguarding of paper parking tickets stock.
- Reviewed safeguarding controls of electronic access card stock.

## **Section III**

### **FINDINGS AND RECOMMENDATIONS**

#### **Management:**

- A. The Parking Garage Manager is responsible for overseeing all the parking revenues and operations of the parking garage and open lot. Duties of this position include ensuring adherence to established policies and procedures for garage operations; preparing daily cash statements, settlement reports, and daily parking reports for the Finance Department; and collection of payment from monthly parking permit holders. According to the organizational chart provided by SMG the Parking Garage Manager reports to the Assistant General Manager/Director of Finance.

SMG provided The OnCenter SOP 7.1 – Parking Garage Daily Cash Process. The SOP describes the procedures for the daily start up banks, end of day close out of cash and reporting for all attendants. The consolidated reporting of each day’s activity is completed by the Parking Garage Manager/Assistant Parking Garage Manager. The reports are used by the finance office to record the activity in the general ledger.

We noted the lack of segregation of duties within the parking garage operations created an environment conducive to misappropriations and mismanagement of funds. SMG’s fiscal office did not provide enough oversight to prevent or detect the potential existence of any misappropriation of funds thereby failing to ensure the proper collection and reporting of parking garage activities.

#### **Recommendation**

- 1. We recommend SMG’s administration implement procedures and controls to ensure proper fiscal oversight and properly segregate parking garage operations to improve the collection process of parking revenues.*

### **Monthly Parking**

#### **Electronic Card Access:**

- B. A lack of segregation of duties exists as the parking garage manager maintains the monthly electronic access cards list, has access to the pre-activated electronic card stock, accepts over the counter payments, and performs the reporting of revenue and collection of electronic access cards. We found no evidence that the fiscal office performed due diligence in reconciling the electronics cards issued to payments collected or electronic card usage activity to payments collected.

At the beginning of the audit SMG management informed us their parking garage systems and software were outdated and frequently broke down resulting in a loss of data. Management did not develop an alternate method to maintain a valid list of electronic access cards or perform a reconciliation of cards accessing the garage to a list of active and paying cards.

SMG provided an electronic access card activity report for the month of August 2017 (the earliest they could obtain from their system). This report listed every time an electronic access card was used for entry/exit to the parking garage. We compared the card numbers from the activity report to 2 different lists of monthly parkers provided by SMG to determine if any cards were being used that were not on SMG's list of monthly parkers and potentially not paying for parking. Our comparison resulted in 297 cards being used that were not on any monthly paying parkers list and could not be traced to any form of payment. By annualizing that card usage, at the monthly county employee rate of \$75.00 per month for 12 months, it can be estimated that \$267,300 of unrecorded revenue occurred in 2017 alone.

#### Recommendation

2. *We recommend SMG's fiscal unit implement procedures and controls to maintain a master list of all electronic access cards issued and include a status of active or not active.*
3. *We recommend SMG's fiscal unit implement procedures to ensure all active monthly garage electronic access cards are paying the appropriate monthly rate to ensure revenue is properly recorded and collected.*

- C. SMG stated that electronic access card stock is kept in sequential order. Once assigned the card number is added to a spreadsheet in Microsoft Access. SMG could not provide us with an accurate list.

We noted electronic access cards were not properly safeguarded. We observed electronic access cards were stored in an open box in an unlocked storage closet in the parking garage office that was accessible to all personnel. We were told the cards are pre-activated for use. A significant risk exists for electronic access cards to be given to users and payment for these cards not recorded. We observed the stock was not maintained in sequential order. 6 cards were found in the middle of the stock out of sequential order.

#### Recommendation

4. *We recommend controls are implemented to safeguard electronic access card stock, such as, limiting the number of cards maintained at the garage and "activating" them at time of need, not before. A control log of issued cards should be independently maintained by someone other than garage personnel and the individual with the ability to activate the cards.*

5. *We recommend SMG implement procedures to log all cards issued, returned, missing or destroyed in sequential order.*

### **County Flex:**

- D. We noted approximately 21 County employees participating in the County's 2017 pre-tax payroll deduction Best Flex Program were not being charged a monthly parking fee. We were informed by SMG's Parking Garage Manager these employees were inadvertently removed from SMG's automatic billing process. Due to the lack of fiscal oversight this situation did not present itself to SMG's administration and was brought to the attention of SMG's Assistant GM/Director of Finance and the Chief Governmental Accountant in the Comptroller's Office. With the assistance of the Chief Governmental Accountant, SMG was able to collect approximately \$13,700 in 2017 monthly parking fees.

Based upon further review, we noted some of these same employees were not properly charged monthly parking fees in 2016 and 2015 resulting in an estimated loss of \$14,600 and \$6,600, respectively. Due to IRS program regulations these funds cannot be redirected to SMG from the respective employee's Best Flex Account.

SMG also receives payment from 2 AXA Equitable flex accounts. It was noted that one account pays \$72.00 per month and one account pays \$70.00, when the regular monthly rate is presently \$75.00.

### **Recommendation**

6. *We recommend SMG's fiscal unit implement procedures to ensure all active monthly garage access cards are paying the appropriate monthly rate.*

### **Jobs Plus:**

- E. SMG stated the 67 electronic access cards issued per their list to Jobs Plus are paid by individual credit cards. They are batched and processed monthly. Their rate is \$60.00. SMG could not provide documentation to support this rate. A reconciliation of the April credit card batch detail to SMG's list of electronic access cards issued to Job Plus noted that 58 credit card charges were processed successfully, 4 were declined. SMG could not provide documentation that the declined cards were successfully charged at another time or that the cards should not have been charged in the first place. Further review noted 7 names on SMG's list of active cards were not charged but 2 names not on the list were charged.

### **Recommendation**

7. *We recommend SMG's fiscal unit implement procedures to ensure all active monthly garage access cards are paying the appropriate monthly rate.*

### **Billed Monthly Parkers:**

F. The SMG fiscal unit directly bills 9 area companies/organizations for monthly parking access at varying monthly amounts. SMG was able to provide 2 parking agreements, Sutherland Group and Syracuse Crunch players. No other written agreements were provided.

- Per the monthly card list provided by SMG 27 cards were issued to the Sutherland Group however the monthly invoice to Sutherland Group appears to be for 28 cards ( $\$8,126.00/\$34.00 = 28$ ). The rate of \$34.00 is stated in their agreement.
- The agreement with the Syracuse Crunch is for 25 parking spaces with electronic access cards from September 30 to May 31 each year. Per the agreement the Crunch was to provide an accurate list of all users including user names and vehicle license plate numbers. They would notify the garage of any changes. The SMG list of monthly parkers listed the 25 cards assigned as “Crunch Player”.

There are 8 other companies/organizations receiving discounted parking rates for which SMG did not provide an agreement.

- Syracuse Crunch is billed for 11 cards at a rate of \$33.00; however 12 cards are listed on the monthly card list provided by SMG. It appears one card is not being billed. SMG could not provide documentation to support this rate nor one free card.
- Onondaga County Dept. of Children & Family Services is billed for 143 cards at a rate of \$45.00. The list provided by SMG shows 146 cards were issued but notes 6 cards as “Erin has pass, Do not invoice”. We noted one of the “Do not invoice” cards was used in August per the electronic access card activity report. SMG could not provide documentation to support this rate nor why electronic access cards were issued but not billed or whether they were in use or not.
- Musical Associates of CNY (Symphoria) is billed for 6 cards at a rate of \$54.00. There are no names associated with these cards on SMG’s list. SMG could not provide documentation to support this rate.
- Medbest Medical Management is billed for 2 cards at a rate of \$72.00. SMG could not provide documentation to support this rate.
- Onondaga Case Management is billed for 1 card at a rate of \$65.00. SMG could not provide documentation to support this rate.
- The Onondaga County District Attorney’s office is billed for 9 cards at a rate of \$67.00. There are no names associated with these cards on SMG’s list. SMG could not provide documentation to support this rate.

- Central New York Services is billed for 7 cards at a rate of \$67.00. SMG's list has 2 card numbers listed with name "unknown". SMG could not provide documentation to support this rate.
- Roman Catholic Diocese of Syracuse is billed \$650.00 for monthly parking at the garage. The invoice contains no further detail as to number of cards being billed or a rate per card. SMG's list has 2 cards issued to the Diocese. Compared to other organizations billed it seems reasonable to conclude more than 2 electronic access cards have been issued to Catholic Diocese but were not added to SMG's list of monthly parkers. SMG could not provide documentation to support the amount billed.

### Recommendation

8. *We recommend all monthly rates being charged are supported and documented in writing from either an SMG's executive or from an executive administrator from Onondaga County.*
9. *We recommend SMG add more detail to invoices for monthly parking to include number of cards being charged and the rate charged per card.*

## **Daily and Event Parking**

We audited the daily/event parking garage activity for 10 individual days from 4 months of the audit period. The testing steps were designed to verify the existing parking garage policies and procedures were being followed and the controls in place were adequate to ensure accurate recording of daily/event parking revenue.

After re-performing the daily reporting and reviewing source documentation we found the daily reporting was less than accurate and complete when compared against standard operating procedures. It appeared that there was little oversight from the finance office in regard to ensuring policies and procedures were being properly followed and verifying the details supporting the figures on the consolidated reports.

### **G. Most frequent findings were:**

- Per SOP 7.1 Parking Garage Daily Cash Process for pre-pay events the garage manager and the attendant must sign the OnCenter Ticket Control Sheet in the Sold ticket area. 3 different days having pre-pay events were tested. Of the transactions tested the control sheet was not signed by the respective employee 7 out of 7 times and not signed by the manager 3 out of 3 times. (there were multiple employees per event)

- For the three days having pre-pay events, the tickets issued/returned were not properly recorded on the OnCenter Ticket Control sheet or attendant's daily deposit 4 out of 7 times:
  - 1) a block of tickets issued and used by one employee was not recorded on the Ticket Control sheet.
  - 2) a block of eight tickets were issued to one employee however the tickets were never returned back or recorded as sold.
  - 3) tickets were recorded as sold but were never reported as issued.
  - 4) returned/unused tickets reported on ticket control sheet differed from the attendant's daily deposit sheet.
  
- Machine spitter paper tickets accounted for and used to calculate daily sales were not within the sequence of tickets reported on daily sales total sheet. This occurred in 5 of the 10 days tested. It appears there are random tickets available to employees and managers that are being used to balance daily activity.
  
- Validated tickets for free parking did not state a reason were found in 6 of the 10 days tested.
  
- Validated tickets for free parking are not tracked to determine amount/source of free parking.

Recommendation

**10.** *We recommend SMG management review the existing policies and controls and provide fiscal oversight to ensure compliance.*

**H.** We noted that pre-pay and event paper tickets were not properly safeguarded. We observed stock of tickets stored in specially labeled metal cash boxes by employee name/type, however the metal boxes are not locked and are kept in an unlocked cabinet in the garage office accessible to all personnel.

Recommendation

**11.** *We recommend SMG management review their controls over ticket stock and limiting access to the garage manager and a designated alternate.*

**Section IV**  
**Management Response**

Kelly Carr  
800 S. State Street  
Syracuse, NY 13202

May 25, 2018

Mr. Robert Antonacci  
421 Montgomery Street, 14th Floor  
Syracuse, NY 13202

Dear Mr. Antonacci:

This letter is in response to the Oncenter Parking Garage Revenue Recognition Report received earlier this month. Below, please see our responses below for Section III "Findings and Recommendations".

A. Management

We do not fully disagree there was a lack of segregation of duties and a mismanagement of funds within the parking garage by the Parking Manager, but we do not agree there was a misappropriation of funds. All revenues generated by the parking garage during this time were collected and recognized as revenue for Onondaga County. In January and February of 2018 the Oncenter instituted new procedures and controls to ensure proper fiscal oversight of parking revenues which includes the purchase and implementation of a new monthly parking card system and hardware. The Finance Department has taken over all responsibility for billing, processing payments and maintaining customer accounts. The segregation of duties is managed now by a Staff Accountant, the Director of Finance and the accounting clerks.

B. Electronic Card Access

Oncenter believes the financial statements fairly represent the operating incomes for the garage and open lot. Based on our current numbers with the new system installed it shows a 10% variance in monthly parking revenues from FY17 to FY18 as opposed to 44% being reported in the audit. Oncenter believes the \$267k number is highly inflated. Between paid monthly parkers, daily parkers, event parking, employees and areas used for storage, Oncenter averages the use of 825 spots per day that leaves 175 spots open in the garage. Comparing current trends from the same time in FY17 to FY18 where updated protocols, procedures and card readers have been in place, monthly revenue has only seen an increase of 10%. So the estimate that there are another 297 spots that could result in potentially an additional 267k in monthly parking revenue is incorrect. In January Oncenter employed a new parking card system, in doing so it created a card control sheet that maintains all active and inactive cards which is verified by the Finance department's fiscal software. Also in January, Oncenter executed a practice where the card control sheet revenues are balanced against the monthly parking revenue GL account in our financial system. The newly installed parking system also provides a list of entry/exit card access that is corroborated to the card control sheet to ensure all revenues have been collected. In addition, Oncenter wrote and distributed a letter outlining to monthly parkers when payments are due (by the 10<sup>th</sup> of each month) with the exception of flex, jobs plus and monthly paid company accounts. If payments are not received then access to the holders is shut off until payment is received.

### C. Electronic Card Stock

We agree with the auditor's comments and the following action has been taken to rectify the situation. In January the Finance department took control of all electronic access card stock that is now stored in the Finance department safe. Oncenter is working to deactivate all non-issued cards from the system and that should be completed by June 1, 2018. The previous cards that were not in sequential order are no longer in use. The new cards are now in sequential order and are only distributed in groups of 20 to the parking garage manager. Each of the cards is inventoried by the parking garage manager and issued cards are verified to the card control sheet to make sure they are all accounted for by the Finance department. The 20 cards issued to the parking garage manager are kept inside of a file cabinet in a locked room that can only be accessed by the parking garage manger or on-duty supervisor.

### D./E. County Flex/Jobs Plus

Oncenter agrees with the auditor's findings in this section and the proper checks and balances were not in place which allowed this to become an issue. Flex and Jobs Plus accounts are processed through Authorized.net, a web-based software system. The Staff Accountant and the Accounting Clerks verify the Authorized.net batches to the card control sheet for each account to make sure everything is in balance. If there are any declined cards, the Finance department reaches out to the individual for payment. If the individual does not respond then the card is deactivated until payment is received.

### F. Billed Monthly Parkers

Oncenter agrees with the auditor's comments regarding the Sutherland Group and Syracuse Crunch. However, the list of the other companies/organizations receiving discounted parking rates pre-dates the current management team, and was inherited as part of the operation and has been honored thusly. Oncenter is in the process of creating written Parking Agreements for all its tenants these will be issued to each company/organization by July 1, 2018. The new Parking Agreements will include signature lines for both the Oncenter General Manager and the County's Contract Administrator to approve. In June of 2018 Oncenter will begin including the number of cards and amount charged on each invoice to each company/organization.

### G. Daily & Event Parking

Oncenter agrees with the auditor's findings as it pertains to SOP 7.1 and pre-pay event tickets. However, Oncenter does not agree with comments relating to machine spitter paper tickets as these are often taken or pulled by monthly parkers whose card was not read properly by the previous system. Oncenter is not aware of any random tickets being utilized to balance daily activity. Also, Oncenter often offers complimentary parking for its clients who visit the facility for meetings with Sales and Event Management. Without seeing the validated tickets it is difficult to assess if this was the case in those 6 out of 10 days. Since February 2018 the Finance Department's Accounting Clerk has assumed control of balancing all daily parking revenue. Oncenter is in the process of developing a new pre-paid and daily parking process and procedures for the open lot which is expected to be operational by mid-June. Oncenter has placed an order for a new parking lot system which will alleviate the manual process

previously utilized to balance daily events. The new system will be installed following the United States Bowling Congress and is expected to be active by September 1, 2018.

H. Daily & Event Parking

Oncenter agrees with the auditor's comments regarding pre-pay and event paper tickets. In May of 2018 Oncenter management took control of the paper tickets and placed them securely within a file cabinet in a locked room that can only be accessed by the parking garage manger or on-duty supervisor.

In conclusion, after a review of your findings it is evident that a majority of these issues should have been detected by our protocols and procedures; however they were not. We believe we have already addressed a majority of these issues and provided insight to when all recommendations will be completed.

The Oncenter is dedicated to continue working on behalf of Onondaga County to provide full and accurate accounting records of their parking lots and garages in the future.

Sincerely,

Kelly Carr  
General Manager  
Oncenter

