



AGENDA MEMORANDUM

Action item for the Audit Committee Meeting of October 12, 2021

DATE: October 12, 2021

TO: Gil Hernandez, Audit Committee Chairman

FROM: Kimberly Houston, Interim City Auditor
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AU18-F05 Department of Aviation – Rental Car Agencies Follow-up Report

CAPTION: Motion to accept AU18-F05 Department of Aviation – Rental Car Agencies Follow-up Report.

PURPOSE: Discuss follow-up results.

BACKGROUND: In accordance with the 2021 Annual Audit Plan, we conducted a follow-up of the AU15-004 Department of Aviation, Rental Car Agencies audit dated February 2, 2017.

The objective of the original audit was to determine whether airport management is ensuring concession fee payments from rental car agencies are accurate and timely. There were 14 recommendations for improvement over seven (7) areas made to executive and department management. This follow-up was to determine the implementation status of those 14 recommendations.

During this follow-up project, prior management, aforementioned above, left employment with the City. This project was completed with new leadership throughout the chain of command at Aviation. Additionally, new management joined Finance and Procurement which responded to recommendations that impact citywide operations.

In March 2021, management indicated 10 of 14 recommendations have been implemented. We reviewed information submitted and found eight (8) have been implemented.

Due to scope limitations, the remaining six (6) recommendations will be reexamined in a future engagement to allow for new management to develop, implement and adjust new processes.

ALTERNATIVES: The Audit Committee may reject all or part of this follow-up report as

presented.

FINANCIAL IMPACT: N/A

FUNDING DETAIL: N/A

RECOMMENDATION: Staff recommends the Audit Committee accept this follow-up report.

LIST OF SUPPORTING DOCUMENTS: AU18-F05 Department of Aviation – Rental Car Agencies Follow-up Report