



METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

# Parking Contractor



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## OBJECTIVE

Obtain reasonable assurance that the *Statement of Net Revenue* is free of material misstatement, evaluate compliance with the contract terms regarding budgeting, operating funds, Disadvantaged Business Enterprise participation, performance guarantee and insurance coverage.

## BACKGROUND

The Statement of Net Revenue presents the revenue, expenses, management fees and net revenue for the parking contract.

## CONCLUSION

Controls over accounting and reporting are generally adequate to ensure accurate and timely reporting of revenue and reimbursable expenses. However, controls over reporting and paying vacation and sick leave are deficient. The contractor was reimbursed for unearned vacation and sick leave.



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## RECOMMENDATIONS

- The contractor was ordered to repay the Airports Authority \$14,652 in unearned leave
- The Contractor also was directed to enhance its payroll reconciliation process to include an automated reconciliation of the leave accrual records and the payroll records and to ensure that the controls surrounding the reconciliation process are sufficient to minimize the risk that unearned leave will be paid.

**Management has implemented the recommendations.**