

# POST AUDIT REPORT PARKING AND IT DATA EXCHANGE PAR26-02



WEST PALM BEACH

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Internal Audit

## City of West Palm Beach Internal Auditor's Office

Beverly Mahaso Esq., CIA, CFE  
Chief Internal Auditor  
March 25, 2026

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Audit Committee  
City of West Palm Beach  
401 Clematis Street  
West Palm Beach, Florida

**RE: POST AUDIT REPORT OF PARKING AND IT DATA EXCHANGE PAR26-02**

Dear Audit Committee Members:

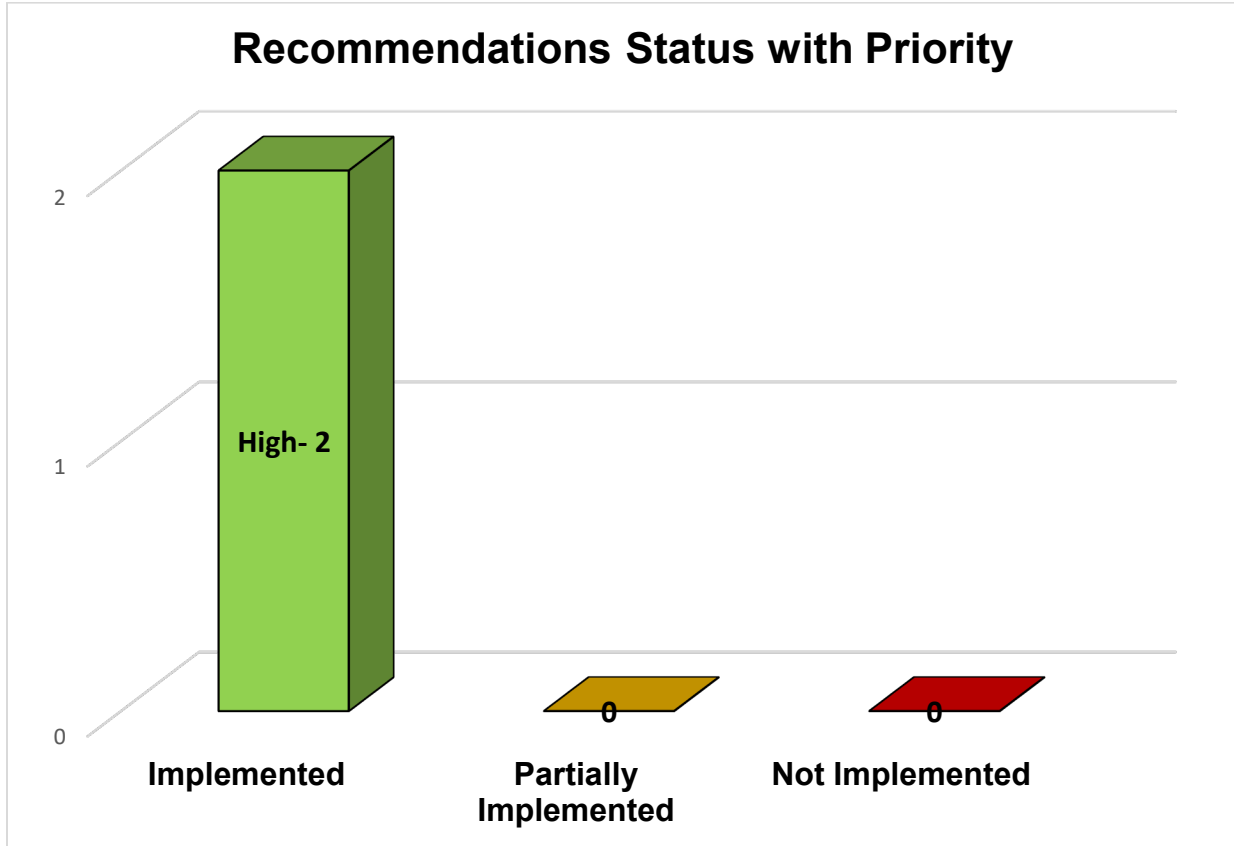
In FY2024, the Internal Auditor's Office released an audit of Parking and IT Data Exchange (**AUD23-01**). Subsequently, we performed certain procedures, as stated below, with respect to activities of the Parking and IT Departments in order to reach a conclusion on the status of the recommendations made as a result of that review.

This Post Audit Report (PAR) consisted primarily of inquiries of City personnel and examinations of various supporting documentation. It was substantially less in scope than an audit in accordance with generally accepted government auditing standards.

The evidence obtained provided a reasonable basis for our conclusions; however, had an audit been performed, other matters might have come to our attention that would have been reported to you and our conclusions may have been modified.

The audit contained two (2) recommendations that addressed the audit's findings. Upon completion of this PAR, we concluded that both recommendations were implemented.

We have enclosed a table listing all the recommendations with the current statuses. We commend management for implementing the recommendations.



We thank the personnel from the Parking and IT Departments for their assistance in conducting this review and on continuing implementation efforts.

Respectfully Submitted,

s/ Beverly Mahaso  
 Chief Internal Auditor

cc:

Christina Lambert, Commission President  
 Shalonda Warren, Commissioner  
 Christy Fox, Commissioner  
 Joseph Peduzzi, Commissioner  
 Cathleen Ward, Commissioner

Keith James, Mayor  
 Faye Johnson, City Administrator  
 Jessica Keller, Parking and Mobility Administrator  
 Paul Jones, Chief Information Officer

Encl.

## POST AUDIT REPORT PARKING AND IT DATA EXCHANGE AUDIT RECOMMENDATIONS

**Legend**  
■ Implemented  
■ Partially Implemented  
■ Not Implemented

No.	Auditor's Condition and Recommendation	Management's Initial Response	Auditor's Status Update
1 High Priority	<p><b>CONDITION:</b>            During the audit period (February 1, 2022 – December 31, 2022), the Parking Administration Department did not draft policies and procedures to govern the use of the data exchanged from the State of Florida Highway Safety and Motor Vehicles (HSMV). Internal Audit did identify consistent practices among the Parking Department employees when handling the data exchanged, however, Internal Audit deemed this was not sufficient to comply with the Memorandum of Understanding (MOU) or when staffing changes occur.</p> <p>The following areas lacked policies and procedures:</p> <ul style="list-style-type: none"> <li>• Business Use Purpose,</li> <li>• User Access Reviews,</li> <li>• Securing and Storing Physical Documents,</li> <li>• Annual Compliance Statements,</li> <li>• Reporting Known Violations to HSMV,</li> <li>• Reporting Consumer Complaints to the Agency Point of Contact,</li> <li>• Third-Party End Users, and</li> <li>• Record Retention.</li> </ul>	<p><b>INITIAL MANAGEMENT RESPONSE:</b>            Data Exchange and Use Policy has been published and signatures of users has been recorded and are on file for Receipt of Policy, Confidential Acknowledgement, and Criminal Sanctions Acknowledgement.</p> <p><b>Target Implementation Date:</b>            January 31, 2024</p>	<p><b>IMPLEMENTED            MARCH 2026</b>            Based on the review we conducted, we found that this recommendation has been implemented. Policies and procedures (P&amp;Ps) have been adequately established.</p> <p>Additionally, all third-party agents have been provided with a copy of the 'Technology Use Policy,' and verified, in writing, acceptance of the policy.</p>

**Legend**  
 ■ Implemented  
 ■ Partially Implemented  
 ■ Not Implemented

## POST AUDIT REPORT PARKING AND IT DATA EXCHANGE

No.	Auditor's Condition and Recommendation	Management's Initial Response	Auditor's Status Update
	<p><b>RECOMMENDATION:</b>            The Parking Department should ensure compliance with the MOU by:            A. Drafting policies and procedures that would ensure consistent compliance with the MOU.            B. Providing employees with copies of the policies and procedures and training them. Further, this should be documented to ensure staff awareness and consistent compliance.</p>		
<p>2 High Priority</p>	<p><b>CONDITION:</b>            The MOU requires that the Parking Department ensure that third-party service providers maintain adequate internal controls to protect driver and motor vehicle data. Third-Party service providers typically obtain an independent assessment of their internal controls to ensure compliance with standards and to identify weaknesses, if applicable. Additionally, this independent assessment provides assurances that the third-party's internal controls meet the client's requirements. The Parking Department received an independent assessment of the third-party's internal controls over the driver and</p>	<p><b>INITIAL MANAGEMENT RESPONSE:</b>            Parking administration is in continuous communications with IPS to obtain the report of their internal controls. We will also seek guidance from the City's legal department as to what actions can be taken if IPS continues to delay submitting or ultimately does not provide this report.</p> <p><b>Target Implementation Date:</b>            December 11, 2024</p>	<p><b>IMPLEMENTED            MARCH 2026</b>            We verified that an independent assessment of the third-party service provider's (IPS) internal controls was conducted and covered a twelve-month assessment period. In addition, IPS conducted an Agreed Upon Procedures Report that specifically addresses alignment with the State of Florida Highway Safety and Motor Vehicle (HSMV) MOU. The results indicated that IPS was in compliance with the MOU.</p>

- Legend**
- Implemented
  - Partially Implemented
  - Not Implemented

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	<p>motor vehicle data managed on its behalf.</p> <p>Internal Audit reviewed the third-party's internal control report and determined that the report adequately tested 20 internal control areas as outlined by the MOU. However, 5 (25%) areas were deficient and did not meet the internal control requirements in the MOU. Due to the sensitive nature of the data, we cannot disclose the details of the deficiencies.</p> <p>Internal Audit made several attempts to the third-party service provider to obtain a follow-up report from any independent auditor attesting that the deficiencies had been corrected. However, these attempts were unsuccessful, as such we were unable to verify that the third-party service provider did in fact correct the deficiencies identified in the initial independent assessment.</p> <p><b>RECOMMENDATION:</b> The Parking Department should ensure that third-party service</p>		

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	<p>providers maintain adequate internal controls by performing the following:</p> <p>A. At minimum, obtain an independent assessment of the third-party service provider internal controls on an annual basis.</p> <p>B. Review the assessment and determine if the third-party provider is in compliance with applicable rules and regulations including the current MOU and take appropriate action.</p> <p>C. If applicable, review deficiencies identified and determine:</p> <p>I. The severity of the impact on parking enforcement operations.</p> <p>II. The Parking Department's potential risk of MOU non-compliance.</p> <p>III. Whether an updated independent assessment is needed.</p>		