



## PROJECT SUMMARY

Management of the Transportation Services Department at Texas A&M University has been proactive in developing strategies for continuous improvement in the efficiency and effectiveness of its operations. The Department recently purchased and implemented PowerPark, a new Parking Management System and its Fleet Management System, FASTER, is being updated to better utilize all of its capabilities. Additionally, the Department has contracted with a consultant to assist in improving the efficiency and effectiveness of the Department's Transit Division by studying and advising on areas such as transit routes, rates, and performance measures. The Transportation Services Department's control processes provide reasonable assurance that management can identify and manage risks, thereby increasing the Department's ability to achieve its mission and to use resources appropriately and in compliance with laws, policies, and regulations.

We identified opportunities for improvement related to increased security over credit card information stored in the automated servers processing credit card payments and in employee position descriptions. Transportation Services Department management has already taken action to address these issues.

The Transportation Services Department has three operating divisions – Transit, Parking, and Fleet Management. In fiscal year 2003, the Department had a staff of 141 employees and expenditures of \$19.5 million.

## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

### 1. Information Technology Security

#### Observation

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**Access to payment information stored in automated servers should be restricted.**

Credit card numbers, which are stored in the automated servers used to process payments, are accessible to six individuals, including information technology supervisors and support personnel and accounting staff responsible for monitoring and reconciling payments. While viewing or printing of the full credit card numbers

1. Information Technology Security (cont.)

is rare, it can be done, particularly if there is a problem with payments or with the reconciliations. Currently, there is no transaction log or other means of identifying when credit card numbers have been accessed. The risk of unauthorized use or abuse of the credit card numbers is increased when access to the numbers is not restricted and not monitored. The capture and storage of credit card numbers is a function of the payment software which was purchased from the vendor.

Recommendation

The information technology staff of the Transportation Services Department should restrict access to the credit card numbers to a maximum of two personnel. Additionally, management should develop a method whereby access to the credit card numbers can be monitored. Management should consider the possibility of rewriting the software to delete the credit card numbers after payment has been verified or masking the numbers from view.

Management's Response

*Transportation Services concurs with the auditor's observations and recommendations in the matter of access to credit card numbers. The following actions have or will be taken and explored as is appropriate.*

*"The information technology staff ... should restrict access to the credit card numbers to a maximum of two personnel."*

*This has been accomplished.*

*"Management should develop a method whereby access to the credit card numbers can be monitored."*

*Manual access logs have been prepared to monitor those individuals viewing credit card numbers. These logs require name, date, time and reasons for getting into the database. The logs are already in use.*

*Federal Automated Parking Devices has indicated that the functionality of monitoring database access is already available to us. This would involve generating detailed system reports which could be reviewed by the appropriate management and compliance staff. Our IT personnel have been unable to make this aspect of our software operate as indicated. The manual logs will continue to be used after system reports of credit card access are being generated. They will be compared with these reports by appropriate members of management and compliance personnel as part of a written*

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1. Information Technology Security (cont.)

*control procedure. We have a high level of confidence that by working with the vendor the computer generated access reports will be available to utilize along with the manual logs by October 31, 2004.*

*“Management should consider the possibility of rewriting the software to delete the credit card numbers after payment has been verified or masking the numbers from view.”*

*While Transportation Services is only asked to consider this possibility, management feels this is the most desirable action. If accomplished this would make the first two steps moot points. In preliminary observations, our IT staff feels that deleting the numbers from the database completely would likely have grave consequences for the system. However, our IT staff does have a high level of confidence that our programmers can write software which will replace all but the last four digits of the number with arbitrary numerical patterns. This would make access to the complete credit card number impossible as they would no longer exist in our database (other than arbitrary replacement numbers and the last four digits). We feel this task, barring unforeseen obstacles, can be completed by October 31, 2004.*

## 2. Human Resources

### Observation

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**Management should ensure that signed position descriptions are placed in personnel files.**

Signed position descriptions were not available for 14 of the 29 employees (48%) whose files were reviewed. Eight of these employees had TAMU Classification Specifications forms in their files in lieu of the position description forms. However, the classification specifications forms were also not signed by the employees or supervisors. A&M System Regulation 33.99.03 includes the review, discussion, and signing of the position description as an integral part of the employee evaluation process. Not performing this requirement increases the risk that employees may not be aware of the essential functions and physical requirements of their position

Human Resources stated that the TAMU Classification Specifications form should have been signed by the employee and supervisor. Transportation Services' supervisors thought that it was sufficient to sign off on the annual performance evaluation indicating that the position description was reviewed, as opposed to signing the actual position description.

## Recommendation

2. Human Resources  
(cont.)

Transportation Services Department Human Resources personnel should ensure that all employees have an individual position description in their personnel file that has been reviewed by the employee and the supervisor and signed by both. All supervisors should be informed of this requirement.

## Management's Response

*Transportation Services concurs with the observations and recommendations of the auditors. It has taken the following steps to comply with the recommendations.*

*“Transportation Services Department Human Resources personnel should ensure that all employees have an individual position description in their personnel file that has been reviewed by the employee and the supervisor and signed by both. All supervisors should be informed of this requirement.”*

*Transportation Services' Human Resources personnel have provided written instructions regarding evaluations and position descriptions to all supervisors prior to the evaluation process currently taking place.*

*It has been specifically stated in these instructions that signatures of both the employee and their supervisor will be required on position descriptions as they are being reviewed during the annual evaluation process.*

*As an additional measure, Human Resources staff has ensured that appropriate signatures and forms are obtained prior to filing the evaluation/position description form in personnel files.*

*This has been completed.*

## **BASIS OF REVIEW**

### Objective and Scope

The objective of the audit was to review the financial and management controls of the Transportation Services Department to determine if resources are used efficiently and effectively and in compliance with laws, policies, and regulations. The review focused on the administrative areas of human resources, cash handling, disbursements, and information technology and the operational areas of transit, parking, and fleet management. We

reviewed procedures and processes in place from September 2002 to August 2003, planned and recently implemented changes to major automated systems, and a current Request for Proposal for a Consultant to review operations of the Transit Division.

## Criteria

Our review was based upon standards as set forth in the System Policy and Regulation Manual of The Texas A&M University System; the Treadway Commission's Committee of Sponsoring Organization's Internal Control - Integrated Framework (COSO); and other sound administrative practices. The evaluation was performed in compliance with generally accepted government auditing standards and other criteria to conform with the Institute of Internal Auditors' "Standards for the Professional Practice of Internal Auditing."

## Background

The Transportation Services Department has the responsibility for providing students, faculty, staff, local system agencies, and visitors access to parking, bus transportation (on and off campus), traffic control, fleet leasing and maintenance, and charter bus services. The Department has three operating divisions: Fleet Management, Parking, and Transit.

Fleet Management Services is responsible for all Texas A&M University vehicles. This includes the leasing and renting of vehicles as well as their maintenance and fueling. The current fleet size is 854 vehicles.

Parking Services controls and maintains over 34,000 parking spaces and five parking garages on the Texas A&M University Campus. Parking Services consists of the Administrative Offices for Transportation Services, Parking Enforcement, and Controlled Access Facilities. The Administrative branch includes cashiers, remote cashiers, customer service representatives, and administrative staff. Parking Enforcement consists of over 60 officers who monitor traffic and parking on campus. Controlled Access Facilities monitors and maintains all of the garages and gated parking areas on campus.

Transit Services provides safe, courteous, and efficient transportation to the students, faculty, staff, and visitors to the campus. Transit Services has a fleet of 95 buses providing on and off campus transportation, Paratransit, and charter services

for the University. Transit Services employs over 350 student drivers and only four full-time staff members.

## AUDIT TEAM INFORMATION

### Auditors Assigned to the Review

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### Contact Information

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