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15-26 Colorado Springs Airport Ground Transportation Review

October 2015

Purpose

The purpose of this audit was to ensure the Colorado Springs Airport's (Airport) cost to administer ground transportation activities was adequately recovered through ground transportation fees.

Highlights

Based on our review, we conclude that fees collected from ground transportation contractors were sufficient to recover the Airport's cost to administer ground transportation activities.

Airport Ground Transportation includes vehicles that pick up arriving passengers from the Airport; taxis and hotel vans for example.

Airport employees did not track hours spent performing activities related to ground transportation. As an alternative method to estimate the cost of this function, we identified the work groups involved in the process and asked Airport staff members to estimate hours worked monthly. For our analysis, we used employee estimated time at fully burdened labor rates and an additional 30% administrative overhead estimated costs. Revenues exceeded the estimated costs by 18% to 35% annually for the years 2010 to 2014.

The Airport Properties Department was responsible for review and approval of ground transportation permits, including compliance with insurance requirements. The Airport Accounting Department issued invoices and accounted for payments. Airport Communications Center personnel managed manual entry and exit, while the Information Technology Department provided systems support.

We noted that Airport personnel made process improvements in recent years to increase efficiency and reduce ground transportation administrative costs. For example, the Airport now charges a fee rather than a deposit when transponders are issued to ground transportation contractors. This fee eliminates the administrative effort to track and refund transponder deposits.

Management Response

A management response was not required or requested.

Opportunity for Improvement

1. The Airport should consider tracking ground transportation related costs to ensure related fees are sufficient.

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.