



**City of Philadelphia
Office of the City Controller**

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Controller Rynhart, Joined by State Auditor General DePasquale, Announces Performance Audit of Philadelphia Parking Authority

Audit will review on-street parking expenses and the PPA's progress implementing the Auditor General's recommendations from his December 2017 audits of the entity.

Philadelphia, PA – City Controller Rebecca Rynhart, joined by State Auditor General Eugene DePasquale, announced that the Philadelphia Parking Authority (PPA) will be the subject of the next performance audit undertaken by the Philadelphia City Controller's Office. Staff will evaluate the validity and effectiveness of the PPA's on-street parking expenses and will include a comparison of PPA's on-street parking operations to those of other cities. Additionally, the audit will assess the PPA's progress on implementing the recommendations regarding contracting and procurement, and employment policies and procedures made by the State Auditor General in his 2017 reports and agreed to by the PPA.

"Over the last few years, aggressive ticketing practices, frustration over the amount of funding provided to the School District, and revelations about workplace culture problems – including sexual harassment and excessive pay and benefits – has left many Philadelphians distrustful of the Philadelphia Parking Authority," said Controller Rynhart. "Since the campaign, I said that I would work to hold the PPA accountable to the money it is supposed to provide to the School District. Our audit is looking at on-street parking expenses, specifically, because every dollar saved on the expense side is another dollar that would go to the School District."

On-street parking revenue, which is generated from parking meters, parking fines, and more, is divided between the City of Philadelphia and the Philadelphia School District after on-street parking expenses are paid. The City receives \$35 million plus an annual increase based on the percentage of revenue collected from the previous fiscal year. After that money is paid, the net revenue is provided to the Philadelphia School District. If on-street parking expenses were lower, that would result in additional funding for the School District.

As part of the assessment of on-street parking expenses, the audit will evaluate Philadelphia's operations as compared to other cities, including operation size, staffing levels, employee salaries, and other expenses.

"I want to thank Auditor General DePasquale for showing real leadership in his audits of the PPA last year. When many elected leaders were unwilling or hesitant to call out the problems at the PPA, the Auditor General did. His support of our undertaking this additional audit is very much appreciated," said Controller Rynhart.

In December 2017, the Pennsylvania State Auditor General's Office released two audits of the PPA: an audit of the PPA's financial objectives; and a performance audit of the PPA's employment policies and procedures. Combined, these audits identified 11 findings and made more than 117 recommendations to improve management controls and operations and to create an ethical and productive organizational culture. Findings included excessive leave payouts and manipulation, issues with the hiring process, unclear and non-standard procurement and contracting procedures, uncollected parking fees and inaccurate revenue projections. Additionally, the audit of employment policies and procedures addressed sexual harassment at the PPA, including claims made against the former executive director and other staff.

"Auditing PPA was a huge undertaking and we helped get the agency started in a better direction. I'm happy to support Controller Rhyhart's ambitious initiative to dig even deeper so that we can make sure as much funding as possible goes toward improving local schools," DePasquale said. "I am going to continue to follow up on the recommendations in my audit and keep the pressure on PPA leadership. Later this month, I'll be meeting with PPA about my audit recommendations and their policies related to accommodations for riders with disabilities and ride-sharing companies."

During today's press conference announcing the upcoming Controller's Office audit, Auditor General DePasquale announced that his office would begin to delve into another issue at the PPA regarding Transportation Network Companies (TCNs) and disabled rider accommodations and policies.

The Controller's Office audit of the PPA is expected to begin in August and is expected to take between 7 and 10 months. The last audit of the PPA completed by the City Controller's Office was in 2009, covering fiscal years 2006 through 2008. It found and made recommendations regarding contracting and procurement practices and inadequate administrative procedures that resulted in costs exceeding budgeted amounts.