



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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16-19 Airport Off-Site Car Rentals

August 2016

Purpose

The purpose of this audit was to evaluate whether Off-Site Car Rental revenue for the period January 1 through December 31, 2015 was remitted in compliance with the Colorado Springs Airport agreement.

Highlights

We conclude that revenue remitted to the Colorado Springs Airport from the Off-Site Car Rental vendor complied with contract terms for 2015, the period under audit.

The Colorado Springs Airport collected revenue for car and truck rentals through an agency located off the airport property, referred to as the Off-Site Car Rental agency. The Airport website included a link to rental agencies, including the Off-Site Rental agency vendor. The majority of car rental revenues were obtained from On-Site Rental agency vendors rather than from this contract. Revenue from the Off-Site Car Rental vendor declined when one of two rental locations was closed in October 2015.

Revenue was based on a percentage of revenue from customer rentals stated in the contract. If a customer utilized the Off-Site Car Rental agency, but was not picked up by the vendor on Airport property, no revenues were due the Airport. Based on discussion with Airport management, this contract administration practice was standard in the industry. Reservation revenue for passengers arranging their own transportation to the rental agency was not considered significant.

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.