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REPORT NO. 2016-37

TO: Paul Cozzie, Bureau Director, Parks and Conservation Resources
Claretha Harris, Chief Deputy Director, Finance Division

FROM: Hector Collazo Jr., Inspector General/Chief Audit Executive
Division of Inspector General 

DIST: Ken Burke, CPA, Clerk of the Circuit Court and Comptroller
James Wilson, Fort De Soto Park Supervisor
Frederick Dean, Director, Finance Division
Maria Perry Collura, Financial Accounting Manager, Finance Division

SUBJECT: Investigation of Fort De Soto Park Deposit Shortage

DATE: November 22, 2016

The Division of Inspector General's Public Integrity Unit (PIU) received an allegation of Fraud, Waste, and Abuse. We investigated the following allegation related to a deposit shortage at Fort De Soto Park.

The complainant alleges that a Fort De Soto Park Ranger:

- Did not properly follow cash handling procedures when performing end of the day cash counts and deposit preparation which resulted in a deposit being sent to the bank short \$250.

The complainant did provide documentation to assist with the investigation.

To determine whether the allegation was substantiated, we reviewed policies, procedures, and any other records deemed appropriate. We also conducted interviews of staff and other parties, as needed. Our investigation was performed according to the *Principles and Standards for Offices of Inspector General* and *The Florida Inspectors*



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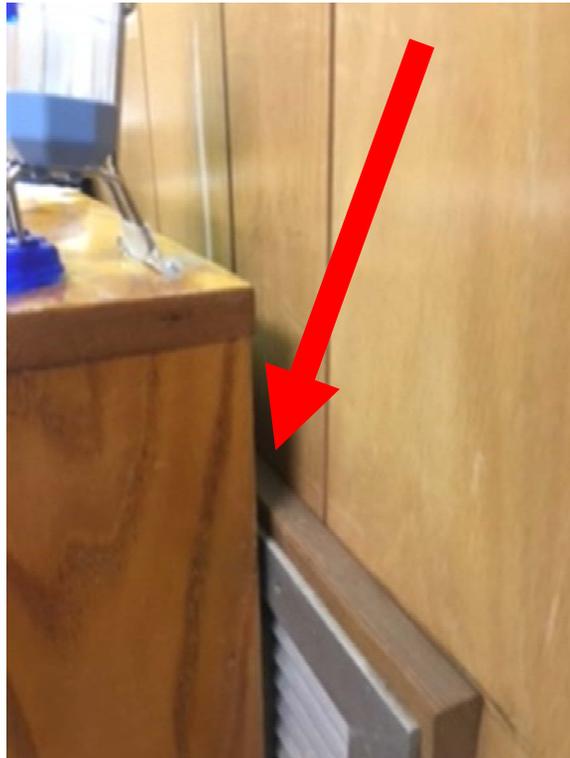
General Standards Manual from The Commission for Florida Law Enforcement Accreditation.

The Division of Inspector General investigation of the allegation has determined that the allegation noted above was unfounded. Appropriate cash handling procedures were followed; however, opportunities for improvement exist to strengthen internal controls.

Investigation Background

On July 5, 2016, the Division of Inspector General received a complaint in regards to events that occurred on May 22 and June 1, 2016. The complainant stated that the Finance Division was notified on May 23, 2016 by Wells Fargo Bank that a deposit from Fort De Soto Park for cash collected on May 22, 2016 was missing \$250. The Finance Division notified Parks and Conservation Resources (PCR) Administration of the discrepancy the same day. A request for a recount by the Wells Fargo Money Center was submitted on May 25, 2016. The Finance Division was notified on May 31, 2016 that the recount agreed with the first, and the deposit was still short \$250.

On June 1, 2016, the Finance Division requested a statement from the Fort De Soto Park Ranger who completed the May 22, 2016 deposit slip. That day, the Park Ranger searched the room where cash is counted and discovered a bundle of five dollar bills totaling \$250 behind a desk on top of an air conditioning vent. The desk is used daily to count cash collected from parking fees.



Investigative Findings, Issues and/or Concerns

1. Fort De Soto Cash Handling Procedures Are Not Documented.

As reported in the 2014 Audit of Fort De Soto Park Operations and Internal Controls (Report No. 2014-34) and the 2016 Follow-up Audit (Report No. 2016-09), there are currently no written procedures for the Fort De Soto daily deposit preparation, documentation, or transaction entry. Establishing clear procedures as to what task is to be performed, how, when, and by whom is an essential internal control and performance measurement tool.

We recommend PCR Management implement the recommendations related to cash handling procedures in the audits referenced above. To expedite the process, PCR can use the updated cash handling policies and procedures published by the Finance Division as a starting point to develop appropriate documented cash handling procedures for their operation.

Management Response:

Management Partially Concur. Staff has previously attempted to obtain Finance Division cash handling procedures multiple times, but were informed new procedures were being created and/or modified. In its place, the Fort De Soto Park Attendant Cash Handling procedures were developed by the Park supervisor in February 2015 and are now in place.

2. The Fort De Soto Safe And Cash Count Room Is Inadequate.

As toll booth collectors' shifts end throughout the day, cash collected during that shift is gathered and counted in the Fort De Soto Administration office by the toll booth collector and Manager or Senior Park Ranger on duty. The room where cash is counted contains a single small desk which is not conducive for counting large amounts of cash. In the prior audit, it was noted that Fort De Soto can bring in up to \$75,000 cash during a holiday weekend.



In addition, the desk sits against a wall that contains an air conditioning vent. When the air conditioning is on, loose bills, cash register receipts, and other paper are susceptible to being drawn to the vent. This vent also creates a gap between the desk and the wall, where the missing \$250 fell. Management has since fitted a piece of wood in the gap to prevent money or other items from falling behind the desk.

The counted cash collected throughout the day is kept in a locked closet, which only management has access to. The cash is stacked on top of the safe throughout the day due to the safe's small size and inability to hold the cash draws containing bundled bills and coins. The cash is placed in the safe in the evening, after the deposit is prepared and all cash is bagged.



We recommend PCR Management review the current cash count room setup and consider reconfiguring the layout to better utilize space and provide a more functional work area to count the daily cash intake. Additionally, management should consider upgrading to a larger safe which can appropriately hold all the cash in safe keeping.

Management Response:

Management Partially Concur. Miscellaneous items will be removed from the counting room to allow for a bigger table and better space utilization. Fort De Soto utilizes two safes for money safekeeping and does not believe an additional or larger safe is necessary.

3. Currency Adjustment Procedures Are Not Documented.

The Finance Division receives daily currency adjustments from Wells Fargo Bank notifying them of any shortages or overages in the previous day's deposits as well as any manual adjustments completed by the bank. The Finance Division then sends notifications to the appropriate department for corrective action or explanation as the individual departments are responsible for reconciliation. If issues are not resolved in a timely manner, the issues are escalated and appropriate management is notified.

Review of the Finance Division's current process for handling currency adjustments is appropriate; however, documented policies and procedures are outdated. Additionally, there are no dollar thresholds in place specifying what actions to take in what timeframe depending on the amount of the currency adjustment. Finance is in the process of updating cash handling policies and procedures.

We recommend the Finance Division Management complete documenting cash handling procedures, including currency adjustments, to ensure reconciliations and issues are dealt with in a timely manner. To ensure adequate management oversight, the Finance Division should create currency adjustment thresholds specifying at which points certain actions are taken, and set timeframes. Once the procedures are finalized, we recommend sharing them with other departments as best practices and a template other departments like PCR can model their procedures after.

Management Response:

Management Concur. The Finance Division is in the process of finalizing the cash handling policy and procedures. The updated policy and procedures will be completed soon and will include currency adjustment thresholds, balancing and reconciliation requirements, actions to be taken to address issues, timeframes, etc. according to best practices. Once finalized, the cash handling policy and procedures will be distributed to the departments for their use.