INVESTIGATIVE FOLLOW-UP REPORT OF
FORT DE SOTO PARK DEPOSIT SHORTAGE

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

We have conducted an investigative follow-up to the report of a Fort De Soto Park deposit shortage. The objective of our follow-up was to determine the implementation status of our previous recommendations.

Of the three recommendations contained in the investigative report, we determined that two have been partially implemented and one is no longer applicable. The status of each recommendation is presented in this investigative follow-up.

We appreciate the cooperation shown by the staff of Parks and Conversation Resources as well as the Finance Division during the course of this follow-up.

Respectfully Submitted,

Hector Collazo Jr.
Inspector General/Chief Audit Executive

cc: Ken Burke, CPA, Clerk of the Circuit Court and Comptroller
    James Wilson, Fort De Soto Park Supervisor
    Jeanette Phillips, Director, Finance Division
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INTRODUCTION

Scope and Methodology

We conducted an investigative follow-up of a Fort De Soto Park deposit shortage. The purpose of our follow-up was to determine the status of previous recommendations for improvement.

The purpose of the original investigation was to:

- Determine if 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.

To determine the current status of our previous recommendations, we surveyed and/or interviewed management to determine the actual actions taken to implement recommendations for improvement. We performed limited testing to verify the process of the recommendations for improvement.

Our investigative follow-up was conducted in accordance with the Principles and Standards for Offices of Inspector General and The Florida Inspectors General Standards Manual from The Commission for Florida Law Enforcement Accreditation and, accordingly, included such tests of records and other auditing procedures, as we considered necessary in the circumstances. Our follow-up testing was performed during the month of January 2018. The original investigative period was May 22, 2016 through June 1, 2016. However, transactions and processes reviewed were not limited by the investigative period.

Overall Conclusion

Of the three recommendations contained in the investigative report, we determined that two have been partially implemented and one is no longer applicable. We continue to encourage management to fully implement the recommendations.
## SUMMARY OF INVESTIGATIVE FINDING

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<th>OFI NO.</th>
<th>PREVIOUS RECOMMENDATION</th>
<th>IMPLEMENTATION STATUS</th>
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<tr>
<td>1</td>
<td><strong>Fort De Soto Cash Handling Procedures Are Not Documented.</strong></td>
<td>Implemented</td>
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<td></td>
<td>We Recommended 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.</td>
<td>✓</td>
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<tr>
<td>2</td>
<td><strong>The Fort De Soto Safe And Cash Count Room is Inadequate.</strong></td>
<td>Implemented</td>
</tr>
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<td></td>
<td>We Recommended 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 for safekeeping.</td>
<td>✓</td>
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<tr>
<td>3</td>
<td><strong>Currency Adjustment Procedures Are Not Documented.</strong></td>
<td>Implemented</td>
</tr>
<tr>
<td></td>
<td>We Recommended 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 point 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 for other departments like PCR can model their procedures after.</td>
<td>✓</td>
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Background

On July 5, 2016, the Division of Inspector General received a complaint in regard 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.

The Division of Inspector General investigation of the allegation determined that the allegation noted above was unfounded. Appropriate cash handling procedures were followed; however, opportunities for improvement exist to strengthen internal controls.
This section reports our investigative follow-up on actions taken by management on the recommendations for improvement in our original investigative report of the Fort De Soto Park Deposit Shortage. The recommendations contained herein are those of the investigative report, followed by the current status of the recommendations.

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 Recommended** 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.

**Status:**

**Partially Implemented.** On April 17, 2017, PCR Management implemented written Fort De Soto Park entry booth attendant cash handling procedures. Additionally, PCR Management has drafted procedures related to the collection of money from CALE machines. We continue to encourage management to finalize the CALE procedures and fully implement our recommendation.

**IG Comment:**

Although Management has implemented cash handling procedures for entry booth collections, the procedures do not require a cash reconciliation by staff and management prior to deposits being sealed and prepared for transport to the Business Support Center for processing. Proper internal controls dictate a cashier and verifier balance daily collections to cash register receipts prior to deposit preparation. These controls provide for separation of duties, accountability, and reconciliation. While Management has reviewed and accepted the risks associated with the lack of controls, we encourage PCR Management to explore options to ensure adequate cash handling procedures are implemented.
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 Recommended 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 for safekeeping.

Status:

No Longer Applicable. As of April 17, 2017, the Business Support Center is collecting the Fort De Soto entry booth and CALE funds and counting the monies onsite at the Largo Parks Administration building. Therefore, no reconfiguration is needed in the Fort De Soto cash count room.

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 Recommended 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 point 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 for other departments like PCR can model their procedures after.

Status:

Partially Implemented. Management stated the updated cash handling procedures are in the final draft stage. Review of the draft cash handling procedures confirmed updated language to address the recommendation. We continue to encourage management to finalize the procedures and implement our recommendation.