



DIVISION OF INSPECTOR GENERAL
Grant Maloy, Clerk of the Circuit Court and Comptroller
Seminole County, Florida

September 26, 2019

To: The Honorable Chairman and Members of the Board of County Commissioners

We have completed an unannounced cash and revenue control audit of the Leisure Services Department.

We would like to acknowledge the employees of the Leisure Services Department for their assistance with the review.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "William Carroll".

William Carroll, CPA, CFE, CIG, CIGA
Inspector General
Division of the Inspector General

Approved by:

A handwritten signature in black ink, appearing to read "Grant Maloy".

Grant Maloy
Clerk of the Circuit Court and Comptroller
Seminole County Florida

SPECIAL REVIEW OF REVENUE CONTROLS
Unannounced Audit of Leisure Services
Revenue Controls

REPORT NO. 080619

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Special Review Report No. 080619
Unannounced Audit of Leisure Services Department
Revenue Controls

GRANT MALOY
CLERK OF THE CIRCUIT COURT AND COMPTROLLER

William Carroll, CPA, CFE, CIG, CIGA
Inspector General

Auditor Assigned:
Viola Saine, CPA, MAFM, CIGA

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Unannounced Audit of Leisure Services Department Revenue Controls

Background

The Division of Inspector General (IG) performed unannounced audits of cash and revenue controls under the management of Leisure Services Department (LS). The audits did not include the Seminole County Libraries.

LS has eight (8) parks and recreational facilities that collect revenue. On an annual basis, there is approximately \$2 million collected from these eight (8) locations.

Fees are collected for sponsoring tournaments, programs and events, court and athletic field, pavilions and meeting rooms. They also have educational programs and events at the Museum of Seminole County History and Ed Yarborough Nature Center, and athletic programs at the various parks.

IG tested the revenue controls at the eight locations, namely:

- Red Bug Lake Park – Casselberry
- Sanlando Park – Altamonte Springs
- Sylvan Lake Park & Sports Training Center – Sanford
- Ed Yarborough Nature Center – Geneva
- Museum of Seminole County History – Sanford
- Seminole County Softball Complex – Altamonte Springs
- Boombah Soldiers Creek Park – Longwood
- Boombah Sports Complex – Sanford

We reconciled the reported funds collected and balanced the funds required to be at the location.

Scope and Methodology

Our objective was to verify that the revenue collected was properly accounted for and County policy and procedures are being adhered to by divisional staff.

Audit procedures included:

- An unannounced cash drawer audit;
- Reconciliation of the revenue collected to the County General Ledger; and,
- Evaluated the procedures for adequacy.

Revenue collected from January 1 to June 30, 2019 for the eight (8) locations are included in the exhibit on page 4.

Overall Evaluation and Conclusion

It is our overall opinion that the LS has adequate internal controls over collection of revenues at its various business locations.

Funds received at the various locations were reconciled with the department's internal records and with the revenues recorded in the County General Ledger, from January to June 2019.

Although, LS has established policies and procedures to account for the revenue collected, there is still a risk that some sales might not to be accounted for in the official records. This could be the result of personnel not recording the receipt in the department's cashiering system or money being misplaced or stolen.

Opportunity for Improvements

1. Possibilities exist to strengthen security controls.

During our site visit to the various department facilities, we noted the following:

- Certain locations, because of size, had limited resources (staff), and with that, staff could not always make the deposit daily or weekly;
- Sometimes, only one employee at the park thus no segregation of duties;
- It is not always practical to have more than one employee involved with the cash drawer reconciliation; and,
- With staff and citizens at these facilities, often late at night, certain enhancements could be made to secure these facilities.

Security cameras and emergency panic buttons would add some assurance that the facility is secure. This is also an additional safeguard to effectively monitor the cash collections and the business assets at each locations.

Recommendation

Upgrade the security systems by installing camera with continuous recording capabilities at the cashiers' area and other areas throughout park. Also, add alarms systems as needed.

*Leisure Services Department
Summary of Revenue Collections
For Six Months Period, January 1 to June 30, 2019
(Exhibit for Illustration Purposes)*

<i>Locations:</i>	<i>Cash Collections¹</i>	<i>Card Payments</i>	<i>Online Payments</i>	<i>Total Revenues</i>
Red Bug Lake Park	\$116,813.00	\$85,315.00	\$61,129.00	\$263,257.00
Sanlando Park	\$61,698.00	\$57,261.00	\$17,583.00	\$136,542.00
Sylvan Lake Park & Sports T.C.	\$53,446.00	\$38,876.00	\$31,540.00	\$123,862.00
SC Softball Complex	\$81,372.00	\$14,852.00	\$12,897.00	\$109,121.00
Boombah Soldiers Creek Park	\$36,217.00	\$12,198.00	\$25,455.00	\$73,870.00
Boombah Sports Complex	\$167,734.00	\$1,544.00	\$38,125.00	\$207,403.00
Museum of SC History	\$981.00	\$281.00	\$200.00	\$1,462.00
Ed Yarborough Nature Center	\$9,823.00	\$0.00	\$35,054.00	\$44,877.00
Total	\$528,084.00	\$210,327.00	\$221,983.00	\$960,394.00
Percentage	55%	22%	23%	100%

¹ Includes cash and checks collections.

MEMORANDUM

Date: September 26, 2019
To: William Carroll, Division of Inspector General, Inspector General,
Seminole County Clerk of Court
From: Joseph R. Abel, Deputy County Manager
Subject: Special Review Report No. 080619, Unannounced Audit of Leisure Services
Department Revenue Controls – Management Response.

In reference to the above subject unannounced internal audit, please find County Management response to the findings and recommendations.

Audit Recommendation:

Possibilities exist to strengthen security controls.

- *Upgrade the security system by installing cameras with continuous recording capabilities at the cashiers' area and other areas throughout the park. Also, add alarm systems as needed.*

Management Response:

Regarding the comments related to staffing levels; segregation of duties; the number of employees involved with cash drawer reconciliation; and security cameras and panic buttons, Management offers the following:

- Staffing levels are reviewed annually during the budget process, and are currently deemed appropriate for the size and level of visits to the staffed parks.
- Deposits are made in a timely fashion so as to maximize efficiencies. Park Supervisors consistently monitor payment activity and manage deposits in a way that is reflective of the best practices for the level of programming and payment at each individual park.
- Instances wherein a single employee are stationed at a park are infrequent, and are driven by program and service delivery needs. While the segregation of duties is not always practical based on individual park programming and service levels, we appreciate the concern, and will look for opportunities to accomplish this when staffing levels permit.
- While "*it is not always practical to have more than one employee involved with the cash drawer reconciliation*" our experience has revealed that having more than one person involved in reconciliation activities significantly reduces the opportunity for mis-handling of cash and assists in loss prevention.
- With respect to security cameras and panic buttons, cameras were installed in the libraries, at the Sports Complex, and at the Soldiers Creek facility over the past several years in an effort to enhance visitor and employee safety. Further, the County Manager's Office has requested that the Sheriff's Office engage in a security assessment of all County buildings, including Leisure Services facilities. We will share your concerns and suggestions regarding cameras and panic buttons with the representatives from the Sheriff's Office so that they may incorporate them into their recommendations as they deem appropriate.