



**Clerk of the Circuit Court
Board of County Commissioners
Marion County**



Internal Audit Division

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MEMORANDUM

TO: Mike May, Growth Management Bureau Chief
Myra Tedder, MSTU Department Director

FROM: David R. Ellspermann, Clerk of the Circuit Court
Wallace K. Watford, Internal Auditor

DATE: March 5, 2009

RE: FOLLOW-UP REVIEW : SILVER SPRINGS SHORES COMMUNITY CENTER AND MARION
OAKS COMMUNITY CENTER AND GENERAL SERVICES

The Internal Audit Division has performed a follow-up review of the Silver Springs Shores Community Center and Marion Oaks Community Center and General Services (Report No. 2006-12, dated December 29, 2006) to report on the status of recommendations contained therein. This review was conducted in accordance with Division Policy and Procedures #3.5 to “determine the extent of actions subsequently taken by County management in response to the findings and recommendations included in the report.” Our original review was performed pursuant to a request by the Department Director.

Our follow-up review procedures principally consisted of management inquiries and review of records and written documentation. This report addresses the specific recommendations and management responses contained within the original report.

We found that the operations of Marion Oaks Community Center were notably improved and various measures had been implemented to enhance internal controls. We commend the management and staff at the Community Center for their efforts. The Silver Springs Shores Community Center already had sufficient internal controls when the original review was performed. Its internal controls have been further enhanced by implementing the recommendations.

As disclosed in the following “Status of Recommendations,” there were 23 recommendations made in the original report. We determined that 20 recommendations were fully implemented, two were partially implemented and one recommendation had not been implemented. All of the implemented recommendations had been promptly addressed during or soon after the initial review. We commend management for taking prompt action.

FOLLOWUP OF MSTU DEPARTMENT SPECIAL REVIEW

We determined that Recommendation #1 was partially implemented. This concerned playground inspections at both Marion Oaks and Silver Springs Shores community centers. See **Attachment A** for expanded discussion and a followup recommendation. **We recommend** that the Department continue its effort to have at least one employee for the Department become a Certified Playground Inspector and, if possible, one employee for each playground.

We determined that Recommendation #5 , a minor recommendation concerning internal fixed asset policy, was not implemented. We noted that the current County policy is being followed to keep track of all SSS Community Center assets, but **we recommend** again that the language in the internal policy be revised to reflect the County's current fixed asset policy.

We determined that Recommendation #7 regarding the Youth Center game purchase policy was partially implemented. We were informed that an internal policy has been implemented to enhance internal controls over game purchases. Currently, all game purchases must be pre-approved by the Director and it is understood that only "T (for teens)" and "E (for everybody)" rated games are allowed in the Youth Center. We believe that creating the internal policy now in place was important and has enhanced internal controls, but a written policy may be better enforceable. **We recommend** that the current practice of requiring pre-approval by the Director and of limiting new game purchases to those rated "T" and "E" be incorporated in the SSS Policy Manual.

This review was performed by Sachiko Leon, Senior Auditor, under the direction of Wallace Watford, Internal Auditor.

We would like to express our appreciation to the Department Director and management of both Community Centers and General Services for their assistance and cooperation during this follow-up review.

c: Lee A. Niblock, County Administrator
John W. Garri, Finance Director

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Status of Recommendations made in Report # 2006-12

Recommendations applicable to each site are indicated in (parenthesis):

MOCC = Marion Oaks Community Center

SSS = Silver Springs Shores Community Center

MOGS = Marion Oaks General Services

<u>Recommendation</u>	<u>Management Response</u>	<u>Current Status</u>	<u>Auditor Comment</u>
1. Playground inspections should be documented and, if possible, each Community Center should have one employee on site who is certified by the NPSI to perform playground inspections. (MOCC & SSS)	Concur	Partially Implemented	Management sent two employees to a class to become certified inspectors for both SSS & MOCC. They have not yet passed the exam. Management stated playground inspections had been conducted periodically; however, no documentation was maintained. See Attachment A for additional discussion.
2. MSTU management should consult with the Marion County Records Center to determine how and for how long records should be retained. (MOCC & SSS)	Concur	Implemented	SSS representative attended a class on records retention. MOCC representative has not attended a class but uses Florida Statutes as guidelines and contacts Records Center as necessary.
3. Staff should comply with the existing policy on collection of rental fees or that the policy be revised to address this issue (SSS)	Concur	Implemented	SSS now deducts rent from the damage deposit collected in advance.
4. If decided that the rent should be deducted from the damage deposit, SSS personnel should contact Finance to correctly execute this change. (SSS)	Concur	Implemented	This change was correctly executed. Rent is deducted from damage deposit and balance is remitted to renter.
5. The SSS policy setting the threshold at \$500 should be updated to \$1,000 to follow the current County policy. (SSS)	Concur	Not Implemented	The policy language should be changed to reflect the current capitalization threshold as noted in the County's Fixed Asset Manual.

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6. MSTU Director should review a pay scale disparity between the Maintenance Crew Supervisor(MCS) who supervises the Youth Recreation Specialist (YRS). (SSS)	Concur	Implemented	The disparity was reduced by increasing the pay grade of MCS. The increase made the two positions, MCS and YRS, at equal pay grade. Additionally, per FY 09 budget, the YRS's actual salary became lower than that of MCS. Although our original intent was that a supervising position should have a higher pay grade than a supervised position, we will not recommend any salary increase due to a budget constraint.
7. Management should consider if the Youth Center policy should include guidance on the types of games that can be provided for the Youth Center users. (SSS)	Concur	Partially Implemented	The Youth Center only purchases games rated "T" (for teens) and "E" (for everyone). Additionally, the Director approves all game purchases in advance. We recommend that this practice be incorporated into the Policy Manual.
8. Management should discuss with Risk Management the best practice of issuing Youth Membership for the minors whose parents are not registered members of SSS Center. (SSS)	Concur	Implemented	Parental signature is required on Youth Membership application form. If parent was absent when form is submitted, staff follows up with a phone call to the parents.
9. MOCC and MOGS should combine trips to the MSTU office to eliminate inefficiencies. (MOCC & MOGS)	Concur	Implemented	MOCC and MOGS staff make alternate trips, which saves gas and staff time.
10. Staff at MOCC and MOGS should have access to Finance Plus and should be provided with a copy of invoice to better monitor and catch any mistakes in a timely manner. (MOCC & MOGS)	Concur	Implemented	Key staff were given access to Finance Plus. Also, communication regarding invoices between MSTU office and MOCC and MOGS staff have improved.
11. The MOCC Rules should state that renters are responsible for the entire amount for cleaning. If the renter must be assessed more after the function, that amount should be paid from the damage deposit. (MOCC)	Concur	Implemented	The language in the fee schedule has been changed to "...as contracted through MOCC." The cleaning company's fee schedule is also given to renters.
12. A deadline should be established for the payments required to rent a MOCC facility. (MOCC)	Concur	Implemented	A 50% deposit is due at the time of the reservation and the remaining balance is due 30 days prior to the event. The event is considered cancelled if not paid timely after a reminder letter.

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13. The MOCC Rules should clarify whether or not registered organizations are allowed free functions and specify which fees are required and not required. (MOCC)	Concur	Implemented	Fees and the number of free functions have been clarified in the Rules.
14. The Advisory Council should determine and specify the charges for faxes. (MOCC)	Concur	Implemented	The charges have been specified and posted.
15. Waiver or adjustment of fees should be approved by the MOCC Advisory Council as stated in the Rules and not determined by the MOCC staff. (MOCC)	Concur	Implemented	All registered and informal organizations who utilize the facility have been identified and presented to the Advisory Council for waiver or adjustment of fees.
16. Staff should make the required effort to notify the cleaning company when their scheduled services are no longer needed and to critically review each invoice to ensure that they are charged correctly. (MOCC)	Concur	Implemented	Cleaning company receives monthly event schedule from MOCC. Canceled events are promptly communicated over the phone. We suggested following-up with e-mail to confirm such communications. MOCC and the cleaning company agreed that any changes in charge should be notified by Monday after the event by the cleaning company. If MOCC is not notified of a change, the cleaning company cannot change the amount later. Each invoice is compared with function information for verification.
17. Management should consider the advantages and disadvantages of the practices of a use of cleaning companies employed by SSS and MOCC to be sure that the best procedure is implemented and then recommend any changes to the Advisory Council. (MOCC)	Concur	Implemented	Two full-time Recreation Aid positions are in the current budget. Their schedules are flexed according to event schedules. A Recreation Aid stays until the end of an event. Cleaning company still has a key that's accessible to the event room only in case of late arrival.
18. Once payment deadlines are established by the Rules, staff should develop a filing system that will alert them when fees are due. (MOCC)	Concur	Implemented	Events are filed by month to easily identify fees due. Staff also maintain monthly summary spreadsheet.
19. Management should research the beginning balance of \$1,416 in the deposit account and resolve its disposition. (MOCC)	Concur	Implemented	The unreconcilable balance of \$1,356 in the deposit account was transferred to the MOCC miscellaneous revenue account following the original review.

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20. Management should identify renters who deserve a refund of a damage deposit and return those funds if no damages occurred. (MOCC)	Concur	Implemented	Deposit refund is promptly processed after event. Finance Department provides MOCC with Monthly Summary of the deposit account.
21. Staff should attempt to locate the original receipt when returning items in the future in order to obtain a credit on the purchasing card. If this is impractical, written permission should be obtained from the MSTU Department main office. (MOCC)	Concur	Implemented	MOCC staff have been updated on Purchasing policy by Purchasing Department. All purchase receipts are copied and maintained in one place.
22. MOGS should enhance control fuel usage by keeping a running balance of remaining fuel on hand for comparison to the gauge on the tank.(MOGS)	Concur	Implemented	MOGS Highway Superintendent maintains logs and reconciles them to equipment usage hours and/or vehicle mileage.
23. MOCC should purchase fuel for their vehicles and equipment from Fleet Department.	Concur	Implemented	MOCC purchases fuel from Fleet Department.

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ATTACHMENT A

Additional Discussion of Playground Inspections

In our original report, We found that playgrounds under MSTU Department were periodically inspected but no documentation was maintained. We consulted with Risk Management and agreed with their assessment that the lack of documentation and the absence of the inspections by a certified inspector could place both Community Centers at risk. We therefore recommended that, if possible, there be one employee on each site who is certified for playground inspections by the National Playground Safety Institute.

The finding and recommendation were communicated to the Director prior to issuing the original report. The Director took prompt action and registered two employees for a class to become Certified Playground Inspectors after passing an exam. This exam is considered extensive and difficult to pass. Although the employees have not yet passed the exam, we considered the prompt and affirmative actions taken as evidence of the intention to employ a Certified Playground Inspector on staff.

During this follow-up review, we found that playground inspections had been periodically performed, but any documentation to support those inspections was not maintained. We believe maintaining documentation of each inspection is critical in minimizing the County's potential liability in case of an injury at one of the MSTU playgrounds. We verbally again recommended that the Department document the playground inspection training and maintain the record of each inspection.

We communicated this finding to the Director. She then arranged a training session by one of the Parks Department's Certified Playground Inspectors for the MSTU Department personnel. Subsequently, the trained personnel developed the departmental standard procedures and a "Playground Inspection and Maintenance Request" form, which is similar to a form used by Parks Department. The new procedures specify that the information will be retained for 5 years and that one copy is maintained on site while the original form is to be kept at the MSTU office.

Although the MSTU personnel are not yet certified, the staff training by a Certified Playground Inspector and the development and implementation of new playground inspection procedures should show the due diligence by the County.

We recommend that the Department continue its effort to have at least one employee for the Department become a Certified Playground Inspector and, if possible, one employee for each playground.