



Clerk of the Circuit Court
Board of County Commissioners
Marion County

Internal Audit Division

David R. Ellspermann

Clerk of the Circuit Court

Wallace K. Watford

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MEMORANDUM

TO: David R. Ellspermann, Clerk of the Circuit Court

FROM: Wallace K. Watford, Internal Auditor

DATE: April 27, 1999

RE: SPECIAL REVIEW OF SILVER SPRINGS SHORES RECREATION DEPARTMENT

In accordance with the verbal request from Gail Leichliter, the Recreation Administrator of the Silver Springs Shores (SSS) Recreation Department, I have performed a special review of the cash collection and recording procedures of SSS Recreation. Ms. Leichliter made this request at the suggestion of Richard Noyes, Parks & Recreation Director.

The purpose of this brief review was to render an opinion on the adequacy of the cash collection and recording procedures that had been revised after an apparent petty theft (\$51.00) reported to the Sheriff's Office on March 5, 1999. This amount did not include any BCC or MSTU funds, but represented the balance of a special member refreshment fund which had been secured in a locked desk in the Youth Center.

I have consulted with Ms. Leichliter, had conversations with her staff from the Youth Center and Community Center, reviewed the current and proposed procedures, analyzed several monthly revenue reports and observed certain SSS Recreation operations. I believe these activities have provided sufficient basis for my opinion.

I have concluded that the revised procedures are adequate and constitute a beneficial enhancement to operational efficiency and internal controls over cash handling and revenue reporting. It is doubtful that the apparent theft was caused by inadequacies of the previous written procedures. The superceded procedures were satisfactory, if brief, and were understood by existing staff. The revised procedures are improved by the separate cash handling instructions for the Youth Center and the Community Center. Further, the physical safeguarding of the Youth Center funds is now improved by the new requirement that cash will no longer be left overnight at the Youth Center. Instead, the

cash will be taken to the Community Center and locked within the designated secured area along with the other SSS Recreation funds. Security could be additionally increased by the installation of a locked safe contained within the locked storage cabinet, but this is not presently critical.

Additional enhancements to the revised written procedures could be made by standardizing similar language and procedures throughout the Parks & Recreation Department, but this is not necessary at this time. I would like to review more cash operations within the County before presenting this as a formal recommendation to the Parks & Recreation Director.

I do recommend that Management consider making more bank deposits throughout the calendar month. Present practice is to keep all cash and checks until the beginning of the following month, then prepare the cash and revenue reports for transmittal to the Finance and Accounting Division. For the last six months ended March 31st, monthly cash deposited ranged from \$118.52 to \$259.85, while checks deposited ranged from \$549.12 to \$1,826.39. There are exposures to loss of cash and checks, as well as the potential for NSF checks not timely identified because of the number of days between deposits. Although I have found no evidence of problems, the totals of cash and checks at month end can be significant and these amounts can result in preventable exposures.

I would like to express my appreciation to Ms. Leichliter and her staff for their assistance and cooperation during this review. I would be pleased to provide additional review services in the future if requested.

c: James L. Lowry, County Administrator
Janet Y. Tutt, Assistant County Administrator
Richard A. Noyes, Parks & Recreation Director
Gail A. Leichliter, Recreation Administrator