



**INVESTIGATION BASED ON ANONYMOUS COMPLAINT AGAINST  
THE OFFICE OF ENVIRONMENTAL SERVICES  
and  
BUSY BEE WASTE SERVICES**

**Report No. 2019-08**

*Presented To*  
The Honorable Board of Marion County Commissioners  
Mounir Bouyounes, County Administrator

September 23, 2019

*Issued by*  
David R. Ellspermann, Clerk of the Circuit Court and Comptroller  
Sachiko H. León, Internal Audit Director

**ENGAGEMENT TEAM**  
Sachiko H. León, CIA, CISA, CRMA, CGAP

## **Background**

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The Clerk of the Circuit Court and Comptroller (Clerk) received an anonymous complaint on August 26, 2019, that Busy Bee Waste Services (Busy Bee), a commercial waste hauler, receives special treatment by the Office of Environmental Services Solid Waste Division (Solid Waste). Allegations were as follows: 1) Solid Waste does not charge late fees to Busy Bee; 2) Busy Bee bypasses the scale line; 3) When a Busy Bee truck was damaged at the landfill at the fault of the driver, Busy Bee made Solid Waste pay for the repair inappropriately.

Internal Audit investigated the allegations No. 1 and No. 2 listed above.

Regarding the allegation No. 3 about an inappropriate repair payment for Busy Bee, there is no security camera around the landfill site to substantiate the incident as described; therefore, the Clerk and Internal Audit did not investigate the allegation No. 3. Per the County Administrator, a similar incident involving another party happened simultaneously as the Busy Bee's incident. The County Administrator asserted to the Clerk that both parties received equal accommodations from Solid Waste and Fleet Department in assisting the vehicles becoming operational and that the claims were handled through Risk Management. The County Administrator is to follow up with the Clerk for any update related to the incident.

## **Scope**

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The scope of this investigation was from February 1, 2012 to August 23, 2019. February 1, 2012 was the go-live date of software called PC Scale which Solid Waste uses for the operations and financial tracking of the landfill.

## **Approach**

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To determine whether the allegations were substantiated, we reviewed procedures manual and any other records deemed appropriate. We also interviewed current and former staff members of the Office of Environmental Services, the Assistant County Administrator-Public Works, and the County Administrator.

Internal Audit uses the following terminology for the conclusion of fact/finding(s):

- **Substantiated** – An allegation is substantiated when there is sufficient evidence to justify a reasonable conclusion that the allegation is true.
- **Unsubstantiated** – An allegation is unsubstantiated when there is insufficient evidence to either prove or disprove the allegation.
- **Unfounded** – An allegation is unfounded when it is proved to be false or there is no credible evidence to support it.

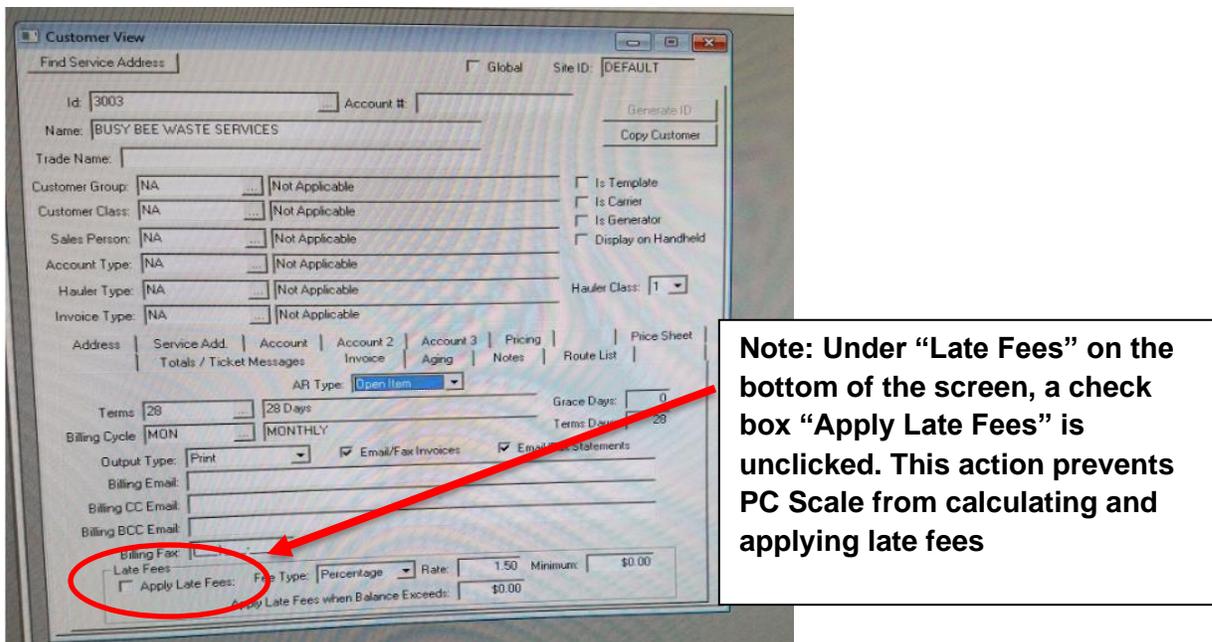
**Results**

**Allegation 1: Solid Waste does not charge late fees to Busy Bee.**

**Substantiated.**

- On August 29, 2019, Internal Audit confirmed that PC Scale’s setting for the Busy Bee’s account had been altered by Solid Waste staff members so that late fees will not incur (See Figure 1). The exact date which the setting change had occurred was unknown, but the account setting alteration took place after May 7<sup>th</sup>, 2019. A late fee had been systematically applied by PC Scale to the Busy Bee account on May 7<sup>th</sup>, but a Solid Waste staff member reversed the fee on the same day.

Figure 1: PC Scale Account Setting as of August 29, 2019



- Busy Bee’s account had the following accounts receivable balance as of August 23, 2019:

Current-30 days	\$1,589.71
31 – 60 days	\$1,241.09
61 – 90 days	\$1,974.28
91 – 120 days	\$2,134.76
Over 120 days	\$2,486.61
<b>Total</b>	<b>\$9,426.25</b>

*Update: Solid Waste placed Busy Bee on the cash on delivery status in the 2<sup>nd</sup> week of September 2019 until the account was brought to current. Busy Bee has made two payments of \$800.52 on 9/3/2019 and \$10,582.08 on 9/16/2019. Busy Bee’s account is current as of 9/16/2019. These payments included a payment for the September 2019 invoice of \$1,956.15, which was not included in the balance shown*

*above. Solid Waste is also in process of invoicing the late fees which should have been applied to Busy Bee.*

- Busy Bee's last payment was on April 4, 2019 for an invoice dated March 4, 2019. By following the "Customer Aging" reports from month to month, Internal Audit confirmed that the amounts owed were the tipping fees only and did not include any late fee.
- A former employee who had handled accounts receivables attested that Solid Waste was contacting Busy Bee each month to remind them of monthly payment prior to processing of the next month's bill to prevent late fees from incurring and that such courtesy was only extended to Busy Bee.
- Our review of monthly billings confirmed the former employee's statement. There were multiple occasions which payments were made after the due date but on or immediately prior to the next billing date. In such instances, late fees did not apply or were sometimes reversed. When Solid Waste processed the next month's billing without receiving any payment from Busy Bee, then PC Scale applied late fees (This statement is applicable for the account activities prior to the Busy Bee's account setting alteration as discussed in the previous page.)
- Internal Audit could not substantiate who had directed the staff members to not apply late fees or alter the account setting.

**Allegation 2:** Busy Bee bypasses the scale lines.

**Unfounded.**

- Solid Waste allows any commercial haulers with fixed weight trucks to file tare weights in PC Scale and go around the outbound scale. Billings are based on the differences of weights at the inbound scale and the tare weights on file.
- Busy Bee did not have tare weights of their trucks on file in PC Scale, so they must go through the inbound and outbound scales to calculate the weight of waste brought to the landfill. Internal Audit confirmed by reviewing duplicate tickets from the Scale House on a sample basis that Busy Bee had used the inbound and outbound scales.

## **REPORT DISTRIBUTION LIST**

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