



Internal Audit Department

Audit Report 2013-10

Concerns

Parks & Recreation Department Immokalee

Dwight E. Brock
Clerk of the Circuit Court

3299 Tamiami Trail East
Suite #402
Naples, FL 34112-5746

www.collierclerk.com

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Prepared by: Megan Gaillard, Senior Internal Auditor

Report Distribution: Board of County Commissioners
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Cc: Dwight E. Brock, Clerk of the Circuit Court
 Crystal K. Kinzel, Director of Finance & Accounting
 Dale Phillips, Internal Audit Manager

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The files and draft versions of audit reports remain confidential and protected from public records requests during an active audit under *Nicolai v. Baldwin (Aug. 28, 1998 DCA of FL, 5th District)* and Florida Statute 119.0713. Work-papers supporting the observations noted within this report will become public record and can be made available upon request once the final audit report has been issued.

The draft audit report 2013-10 was initially reviewed with the Departments on August 6, 2013 and was released to the Departments for management response on August 23, 2013. The Parks and Recreation Director provided the management responses on September 12, 2013 and revised response on September 16, 2013.

Objectives

The objectives of the review were to: 1) validate or dispel specific concerns surrounding Parks and Recreation Immokalee locations (for activities between 2000 – 2012), 2) determine whether internal controls are adequate, and 3) determine if Parks and Recreation was in compliance with applicable Federal Regulations, Florida Statute, Collier County Ordinance, and County Policies and Procedures.

Scope

The review consisted of, but was not limited to the following tasks:

- Review of Fair Labor Standards Act;
- Review of Florida Department of State General Records Retention Schedules;
- Review of applicable Collier County Ordinances;
- Review of applicable County Manager Agency's directives (CMA's);
- Review of applicable Landfill Policies;
- Review of Parks and Recreation Department Policies and Procedures;
- Review of Concerned Citizen letters and/or emails;
- Review of applicable Clerk's Finance and Accounting Department records;
- Review of applicable Board of County Commissioners (BCC) Human Resources and Department personnel records;
- Review of job descriptions;
- Review of Parks and Recreation Department records;
- Review of Parks and Recreation Management Responses to anonymous citizen concern letters;
- Documentation provided by citizens;
- Observation of the Immokalee Sports Complex and operations areas;
- Interviews with Citizens;
- Interviews with BCC Human Resources Department;
- Interviews with Parks and Recreation Staff; and
- Interviews with Clerk's Finance and Accounting Staff.

Background

The review of Parks and Recreation Immokalee locations was initiated based upon concerns regarding payroll, cash, purchases, concessions, confidentiality of records, destruction of County property, possible equipment and donation theft, reported non-County activities being conducted on County time and at County facilities, reported non-compliance with safety procedures and regulations, and personnel matters.

Concerns regarding personnel matters will be referred to the BCC Human Resources Department and Parks and Recreation Management after the release of the audit report.

Summary

The following observations were generated during this review:

1. The time entry process (approximately FY 2000 – FY 2006) had inadequate management oversight.
2. Employees did not timely submit leave slips (approximately FY 2004 – FY 2005).
3. Expenditures have been allocated to the wrong cost center.
4. Concession sales have not been controlled or tracked and inventory is not reconciled.
5. Playground equipment was removed from the landfill (approximately FY 2002), which is a policy violation.
6. Donations have not been properly recorded or approved.
7. The policies and procedures (CMA's) for reporting concerns are inadequate. .

The following other observation was generated during this review:

1. Employment qualifications have not always been validated.

It appears there has been inadequate control and oversight for Parks and Recreation operations, with regard to the Immokalee locations. Without proper oversight and monitoring of operational/financial activities, the County may be exposed to misappropriation, theft, or loss. Care should be taken by the Parks and Recreation Department to ensure County assets are properly safeguarded, controlled, tracked, and monitored.

There has been inadequate supervisory and management oversight and control over the time entry process. Without proper validation and review of the time entry documents, the County is exposed to errors, fraud, loss, and liability. Corrective actions have been taken by the Parks and Recreation Department and BCC Human Resources Department, based on similar findings identified in Audit Report 2012-7.

Additional corrective actions have been taken by the Parks and Recreation Department, based on similar findings identified in Audit Report 2012-8, 2013-1, and 2013-4. For prior audit reports go to: www.collierclerk.com/clerk-to-the-board/internal-audit/published-reports/

Observations

1) The time entry process (approximately FY 2000 – FY 2006) had inadequate management oversight.

Supervisors and/or management did not properly inspect electronically stamped time cards or signed and certified (manual) timecards when approving hours worked by employees. Internal time schedules (revised for actual hours worked), punched timecards, timecards, and hours paid in the payroll system (SAP) were inconsistent.

The Immokalee Sports Complex had an electronic time clock prior to FY 2006. Employees were required to use the time clock to record time in and time out for the day, including recording time in and time out for lunch breaks. The stamped timecards for time in and time out were inconsistent with the signed and certified employee manual timecards. Manual timecards were signed and certified by the employee and the supervisor. The supervisor should have verified the recorded time in and time out was consistent with the signed and certified employee timecard prior to signing and approving the timecard.

Based on records reviewed, it appears employees may have been improperly paid as a result of calculation errors. The signed and certified timecards approved by the supervisor and/or management were not properly calculated for the actual daily hours worked, indicating employees may have been improperly paid. In some instances, the calculation errors resulted in overtime pay earned which was not received by the employee. Management does not appear to have properly reviewed the timecards.

The Fair Labor Standards Act requires non-exempt employees to be paid at least 1 ½ an employee's regular rate of pay for all hours worked over 40 in a work week. The timecards reflect employees exceeded a 40 hour work week and were paid less hours based on the reported payroll hours. Reported payroll hours were inconsistent with the timecards once properly calculated.

When supervisors and/or management approve employee's hours worked, all supporting documentation should be reviewed for consistency. If supporting documentation is inconsistent, research should be conducted and hours corrected to ensure employees are accurately paid. When supervisors and/or management do not properly review payroll information and supporting documentation, it provides the opportunity for theft / fraud, documentation discrepancies, and exposes the County to possible loss.

Parks and Recreation has subsequently (in approximately FY 2006) stopped using time clocks for employees to record time in and time out because of difficulties with the machines. Parks and Recreation supervisors and/or management for the Immokalee Sports Complex and Immokalee Community Center has changed. The current supervisors and/or management for the Immokalee locations have addressed similar findings and begun implementation of corrective actions as a result of Audit Report 2012-7 (*Reference: Parks and Recreation – Immokalee Sports Complex and Immokalee Community Center – Payroll Audit Report 2012-7 Observation #2, 4, and 5 for additional information*).

Recommendations:

- Supervisors and/or management should always review the payroll supporting documentation for consistency and validity prior to approving payroll. When inconsistencies exist, the time should not be approved until discrepancies are resolved.
- Supervisors and/or management should use due diligence in reviewing payroll documentation.
- County staff should adhere to Fair Labor Standards Act.

County Management Response:

“Management concurs with the recommendations. Regarding the observations, management is unable to respond to the specifics due to the timeframe identified. The current management team was not working in positions of authority within the Parks and Recreation Department during the bulk of this timeframe; however, controls have been put in place that have strengthened the oversight of the time entry process. In June 2012, the department

initiated a process where each payroll a compliance review is conducted to ensure that appropriate schedules, leave slips, and annotations on time cards were correct and consistent.

In addition, the compliance review function ensures that all time sheets are signed by the employee and appropriate supervisor. Supervisory staff was retrained on this procedure in the summer of 2012.”

2) Employees did not timely submit leave slips (approximately FY 2004 - FY 2005).

Based on documentation reviewed, it does not appear employees submitted leave time slips promptly upon return from unplanned absences. Personal time and sick time were approved one month after the employee did not work. Leave slips should be promptly submitted to ensure appropriate/proper payment and/or benefits are received by employees.

Recommendations:

- Leave slips should be submitted as soon as an employee returns from unplanned absences.
- Supervisors and/or management should ensure employees properly complete leave slips and forms are received timely.

County Management Response:

“Management concurs with the recommendations. Regarding the observations, management is unable to respond to the specifics due to the timeframe identified. The current management team was not working in positions of authority within the Parks and Recreation Department during this timeframe; however, controls have been put in place that have strengthened the oversight of the time entry process. In June 2012, the department initiated a process where each payroll a compliance review is conducted to ensure that appropriate schedules, leave slips, and annotations on time cards were correct and consistent. This process ensures that leave slips are turned in as the absences occur.

In addition, the compliance review function ensures that all time sheets are signed by the employee and appropriate supervisor. Supervisory staff was retrained on this procedure in the summer of 2012.”

3) Expenditures have been allocated to the wrong cost center.

Purchases have been made for cost centers with the expense being allocated to the wrong cost center.

Revenues and expenditures have been allocated to the wrong cost center. Improper allocation of revenues and expenditures have been brought to the attention of Parks and Recreation Management in prior audit reports (*Reference: Parks and Recreation – Immokalee Sports Complex and Immokalee Community Center – Payroll Audit Report 2012-7 Observation #10 and 11 and Parks and Recreation – Freedom Park Follow-up Cash Review Audit Report 2013-4 Additional Observation #4*).

On July 17, 2013, during an interview with Internal Audit, Parks and Recreation staff confirmed expenditures have been allocated to the wrong cost centers. The explanation provided by Parks and Recreation staff was expenditures were allocated to the cost center that had funds available rather than completing a budget amendment.

Parks and Recreation Management appear to have circumvented the budget amendment process by knowingly allocating expenditures to the wrong cost center. Revenues and expenditures should be allocated to the appropriate fund / cost center to ensure accurate financial information. When funds are not available in a fund / cost center, but are available in a different fund / cost center, budget amendments should be completed to properly match revenues and expenditures to the location using the resource.

Recommendation:

- Revenue and expenditures should be allocated to the appropriate fund / cost center.

County Management Response:

“Management concurs with the observations and recommendations. While the department often purchases items that have benefit for multiple cost centers, purchasing from one cost center for use with another without the necessary transfer of funds is not acceptable. Staff will be retrained on proper shifting of monies to other cost centers fall 2013. Where we are able and where the costs can be allocated in advance, we will allocate costs among our purchase requisitions among the cost centers prior to purchase.”

4) Concession sales have not been controlled or tracked and inventory is not reconciled.

Concession sales at Immokalee Parks and Recreation events have not been appropriately tracked, controlled, monitored, or safeguarded.

On July 17, 2013, during an interview with Internal Audit, Parks and Recreation staff indicated concessions are currently purchased then tickets are sold through the CLASS system to control cash intake. Parks and Recreation staff said they have not specifically tracked inventory, but inventory is monitored and safeguarded by keeping inventory in a locked area with limited access. Parks and Recreation staff concurred inventory has not been reconciled and/or balanced.

Inventory should be tracked, reconciled, controlled, and monitored to reduce risk and potential loss. By not tracking, controlling, or reconciling inventory, financial information may be inaccurate and inventory not recorded. Since inventory reconciliation has not been completed, there is not a proper audit trail. Without recording inventory, sales and expenditures may be over stated.

Inventory reconciliation concerns were brought to the attention of Parks and Recreation Management in prior audit reports and they have been working to address concession sales and inventory reconciliation concerns (*Reference: Parks and Recreation – Freedom Park Follow-up Cash Review Audit Report 2013-4 Additional Observation #2 and 3*).

Recommendation:

- A mechanism should be implemented to track and reconcile inventory items.

County Management Response:

“Management concurs with the observations and recommendations. The department sponsors community recreational programs where soft drinks, snacks, etc. are purchased for resale as part of the program component, i.e., 5th grade dance at our community centers; recreation staff will purchase items for resale at the dance. Wherever possible for these community recreational programs, private concessionaires are used; however, it is not practical for some of the smaller events to do so. Given this, the department will implement a Standard Operating Procedure that tracks the purchase of items for events, the amount charged for the item, the number sold, remaining inventory, and disposition of remaining inventory. This SOP will be completed by November 2013, with staff trained by December 2013.”

5) Playground equipment was removed from the landfill (approximately FY 2002), which is a policy violation.

Concerns regarding commercial playground equipment being located at the regional manager’s home were reviewed. Records were limited and ownership of the commercial playground equipment could not be determined.

Subsequently, the Parks and Recreation Director questioned the regional manager. The director indicated the regional manager acknowledged obtaining old playground equipment from the Immokalee Landfill, approximately a decade ago, stating the equipment was discarded because of the equipment’s age.

The Collier County Landfill policy has been in effect since 1995 and indicates “scavenging” is not permitted and no customers are allowed to search the Immokalee Transfer Station. Removal of playground equipment from the Immokalee Transfer Station was not permitted. This calls into question the Parks and Recreation Director’s explanation.

On July 17, 2013, during an interview with Internal Audit, the regional manager indicated they were unaware of the original owner of the commercial playground equipment and thought a local association or non-profit disposed of the equipment. The regional manager indicated the commercial playground equipment was never a Parks and Recreation asset or property. During the interview, Parks and Recreation staff indicated the Immokalee Transfer Station allowed citizens to remove discarded items from the location until the last few years.

Recommendation:

- Departments should comply with policies and procedures.

County Management Response:

“Management concurs with the recommendation. The Department is in current compliance with these policies and procedures.”

6) Donations have not been properly recorded or approved.

In approximately FY 2000 – FY 2001, a tree nursery donated approximately 20 oak trees (approximately 6 feet tall) to Parks and Recreation. Concerns regarding Parks and Recreation’s receipt of the donated trees were reviewed.

On July 17, 2013, during an interview with Internal Audit, the regional manager said the owner of the nursery was a close friend and would provide trees for personal use. The regional manager said the trees provided were separate of the County donations. Records were limited and receipt of donated trees could not be validated.

During inquiry about the donation of trees, Internal Audit asked the Parks and Recreation Department how the donation of the trees was recorded and/or accepted by the Board of County Commissioners. Parks and Recreation indicated the trees were not accepted by the BCC because the donation did not meet the capital assets requirement and there was no process for having donations less than the capital assets threshold accepted or recorded.

Donations should only be accepted by the BCC and properly recorded at the time of receipt. It does not appear the donation for trees was properly recorded. The County should have a process in place for recording donations to avoid the potential for theft, misappropriation, or inaccurate financial reporting.

Recommendations:

- Donations should be approved by the BCC.
- The Department should monitor and record asset donations at the time of receipt.

County Management Response:

“Management concurs with the observations and recommendations. Staff will be retrained on proper procedure for accepting donations fall 2013.”

7) The policies and procedures (CMA’s) for reporting concerns are inadequate.

Reporting channels for employees were reviewed. It does not appear there are sufficient policies or procedures guiding all types of employees on how to report concerns and/or inappropriate activities.

By having appropriate channels in place for employees to report concerns or witnessed events, it benefits the County to help prevent, deter, and detect fraudulent activities.

Recommendation:

- The County and/or Departments should create and implement a written policy to provide clear guidance and methods to all County employees who wish to report concerns.

County Management Response:

“The County Manager’s Agency has a number of mechanisms for employees who wish to report concerns. The proliferation of email has given everyone with access to a computer the ability to share concerns to multiple management staff at the same time. The County Manager’s Agency has received emails and letters on concerns that staff have been reluctant to bring forward to their supervisors or chain of command, and these issues are quickly investigated with an appropriate resolution. In addition, CMA 5350 Commitment to Fair Treatment provides a formal avenue for staff to solve problems or resolve disputes in the workplace. This CMA provides staff with the ability to review concerns up the chain command, directly to the County Manager with the provision that there be no retaliation against the employee utilizing this process. CMA 5323, Prohibition of Sexual Harassment, provides for employees to report specific concerns of Sexual Harassment in the workplace; allowing for not only the prohibition of harassment, but a number of avenues for employees to sensitively notify the appropriate management staff in order to provide for an intervention. CMA 5323.1, Prohibition of Unlawful Harassment, provides an avenue for employees to maintain a work environment free of harassment on the basis of race, color, religion, gender, national origin, age, marital status, or disability. Any employee may notify their Manager, Director, Administrator, County Manager or Human Resources personnel if there are any indications of harassment, inappropriate workplace conduct, or unethical or illegal actions and proper action is taken. Each employee has received a copy of the complete set of personnel procedures and has signed an acknowledgement of receipt and understanding of its contents.”

Internal Audit Response to County Management Response:

The Internal Audit review of concerns identified that a prior-County employee attempted to report concerns through the chain of command (including multiple levels of management) and it does not appear the concern was addressed and/or resolved. When the prior-County employee went outside of the chain of command by copying other employees and/or levels of management in the emails, the prior-County employee was reprimanded.

A concerned citizen indicated concerns were reported to a former commissioner, who was a sitting commissioner at the time. The citizen said if the commissioner did nothing, they would be forced to take the concerns/complaints to the media. The citizen said the commissioner responded “he had more power, so be careful what you do or say”, which is a concerning statement.

On October 1, 2013, Internal Audit contacted the former commissioner to discuss the above citizen quote. The former commissioner said the citizen took the words out of context and he feels he was misquoted.

Collier County Ordinance 2001-50 Personnel Ordinance excludes certain classes from the personnel policies including volunteers, persons completing projects on behalf of the County, members of appointed or elected boards, elected officials, persons performing work under contract who are not carried on the payroll as employees, and employees with union contracts or represented for collective bargaining (the labor agreement is the governing document).

CMA #5350 for Commitment to Fair Treatment does not provide all County staff a formal avenue for addressing concerns. CMA 5350 indicates “The commitment to fair treatment procedure **does not apply** to new employees serving their initial six-month probation, contract employees, temporary employees, and employee performance evaluation ratings or hiring decisions.” and “Employees at the Department Director level and equivalent (salary grade #29 and above)...**are not eligible** to use this procedure.” (Emphasis added).

CMA #5323 for Prohibition of Sexual Harassment and CMA #5323.1 for Unlawful Harassment are limited to acts of this nature and does not address other types of management concerns, inappropriate non-sexual harassment concerns, and/or fraudulent activities.

The Collier County Personnel Ordinance and CMA's do not provide a clear reporting channel for all types of employees to report concerns and/or inappropriate activities.

There does not appear to be a process in place for acknowledging review and resolution of the concern to the employee and/or citizen who reports the concern. Without resolution and review of a reported concern, concerns may continue to be reported to multiple agencies causing repeated efforts.

The Clerk's Office has a fraud hotline for financial transactions and financial related items, but does not address BCC personnel matters. The Clerk's Office forwards matters outside of the Clerk's purview to the appropriate agency or County Department.

The Board of County Commissioners may want to consider a whistle-blower policy and/or mechanism to report concerns through the Clerk's Office as an independent third party.

Other Observations

1) Employment qualifications have not always been validated.

Job descriptions were reviewed in conjunction with employment applications to determine whether applicants complied with the minimum requirements. Based on the applications, it appears employees indicated the appropriate level of experience and education to be qualified for the positions; however, high school diploma and GED validation was not conducted during the background review prior to the applicant being hired.

On April 1, 2013, Internal Audit interviewed Human Resources staff. Human Resources staff indicated high school diplomas and GED's were not verified at the time of hire; however, college diplomas and/or transcripts are validated.

High school diplomas and/or GED's should be validated at the time of hire as part of the background check to ensure new hires meet the job position requirements. Without proper verification of application information, new hires may or may not meet the requirements.

Recommendation:

- High school diplomas and GED's should be validated at the time of hire when required.
- BCC Human Resources should complete additional review of the allegation.

County Management Response:

"The Parks' Department consulted with the Human Resources Department, which conducts on boarding of new employees. The Human Resources' response was "The County generally conducts degree, education or certification verifications only if the position to which the individual is being hired specifically requires that degree or certification and no equivalency is allowed (for example, Masters of Library Science, which is required for a Librarian, or a Florida Professional Engineering license for employees in the positions of Project Manager, Senior, or Project Manager, Principal). Most of the Classification Specifications in the agency contain language that reads, in part: "... or any equivalent combination of education, training, and experience that provides the requisite knowledge, skills and abilities for the job." As part of the application and selection process, the Human Resources Analyst or Generalist and Human Resources Director ensure that the candidate chosen to fill a position meet the minimum requirements, either through education or equivalencies from related work experience.""

Concerns

The following concerns were brought to Internal Audit's attention through multiple sources. Each concern includes a brief description of the allegation, review of the allegation, and resolution or corrective actions completed by the Departments, if applicable.

1) On-call employees may not have received on-call compensation when the employee was called in for work (approximately FY 2005 and prior).

Based upon limited information prior to FY 2005, the historical payment or non-payment of on-call compensation could not be determined.

Currently, the County provides guidance for on-call pay through CMA 5341.

2) Employees may have clocked other employees in and out for work, when the employee was not present (approximately FY 2005 and prior).

Based upon limited information prior to FY 2005, the validity of this concern could not be determined.

Parks and Recreation management has implemented corrective actions for the time entry process and approval for employee's reported time (*Reference: Parks and Recreation – Immokalee Sports Complex and Immokalee Community Center – Payroll Audit Report 2012-7 Observation #2, 4, and 5 for additional information*).

3) Employee may have earned compensatory time when on full Family Medical Leave Act – FMLA (FY 2005).

Based on the payroll system (SAP) records and available documentation, it does not appear that compensatory time was awarded or used during the time specified for FMLA for the employee referred to in the concern.

The employee does not appear to have been awarded compensatory time during the employee's tenure with the County, based on the payroll system records.

It was noted the employee was put on Family Medical Leave Act and the employee records were not updated when the employee returned from leave. Proper care should be taken to ensure employee records are accurate and reflect the appropriate date of the action.

Prior to 2007, the BCC had a decentralized process for handling employees on FMLA. The BCC Human Resources Department Generalists in each division of the County would work with the departments whose employees needed FMLA leave time, providing the department and employee the necessary paperwork to complete and forward to the main BCC Human Resources office. Early in 2007, the process for FMLA was changed. FMLA and Leave of Absence administration became a function of one employee of the BCC Human Resources Department. The changed process allowed for bi-weekly review of leave time taken, follow-up for employees who used five or more days of sick leave, increased education of the employees and supervisors (including when FMLA should be offered, guidance for when employees should apply for FMLA, benefits of the job-protected leave, and creation of information about leave of absence on the BCC Human Resources intranet), and worked to ensure compliance with Federal notification and leave administration requirements.

4) Theft investigations for missing cash at the Immokalee Sports Complex (FY 2004 – FY 2005).

Concerns were received by the Clerk's Office alleging the Immokalee Parks and Recreation locations had missing cash in years prior to FY 2006. Based on review of available documentation and emails, it appears cash had been missing multiple times at the Immokalee Sports Complex and from special events at the Immokalee Community Center. Both location supervisors were terminated from County employment in FY 2012.

Internal controls weaknesses for cash handling have been brought to the attention of Parks and Recreation Management in prior audit reports (*Reference: Parks and Recreation – Immokalee Sports Complex Cash Review Audit Report 2012-8*). Parks and Recreation Management has addressed similar findings and begun implementation of corrective actions as a result of Audit Report 2012-8.

5) Receipts have not been properly issued and transactions have not been completed using a cash register (approximately FY 2010 and prior).

It was reported receipts were not provided or were improperly provided for soccer field rentals and the location's supervisor required the payment to be made in cash, prior to the weekend. It was reported occasionally a receipt would be provided, but receipts did not contain the County logo and the receipts were handwritten. Based on the instances occurring in FY 2010, there is limited information available to determine whether payments were taken and not recorded. The Immokalee Sports Complex location supervisor was terminated from the County in April 2012.

It was reported receipts were not issued for special events (i.e. dances) held at Immokalee Parks and Recreation locations and cash registers were not used for the collection of funds. It was indicated employees collected cash in "pouches" with change and did not issue receipts when collecting cash. The Immokalee Community Center location supervisor was terminated from the County in September 2012.

Parks and Recreation requires transactions to be completed through the CLASS system and have signs posted in the event a receipt is not received for the transaction. Parks and Recreation began implementation of corrective actions as a result of Audit Report 2012-8.

6) Employees downloaded tax return software to County computers and completed tax returns for clients while on County time (FY 2005).

It was reported that an employee at the Immokalee Sports Complex (FY 2005) had downloaded tax software to a County computer and completed tax returns for clients while on County time.

In FY 2005, BCC Human Resources completed a review based on a reported concern from an employee regarding an employee downloading software to County computers and completing tax returns while on County time. The BCC Human Resources review indicated an employee had downloaded unauthorized tax software onto a County computer and tax returns were being completed after hours on non-County time. The employee was provided written counseling and instruction on August 8, 2005.

7) Employees have not followed safety procedures and regulations regarding children (prior to FY 2006).

It was reported that Parks and Recreation Immokalee employees have not always followed safety procedures and regulations, endangering children and violating compliance requirements, which could result in State fines and/or cancellation of programs. When State requirements are violated, fines may be implemented by the State and/or State funding of programs may be withdrawn from the County.

Parks and Recreation Management investigated safety concerns in FY 2002 and FY 2003. One instance was noted where a child was "missing" when returning to the Immokalee Community Center from the Immokalee Sports Complex pool. The employee involved in the incident was disciplined and received a one-day unpaid suspension on June 10, 2003.

A second instance was noted where a child was left unattended at a bus stop prior to pick-up. The employee was disciplined and received a one-day unpaid suspension on August 14, 2002.

It appears Parks and Recreation Management implemented corrective actions when safety procedures were violated, such as, counseling, training, and follow-up. It appears Parks and Recreation has protocol in place to discipline employees when safety of children is involved to maintain compliance with State requirements.

8) Replacement of County property (approximately FY 2005).

There was concern Parks and Recreation Immokalee location supervisors advised employees to destroy County property to obtain replacement items.

Based on limited documentation available, it appears equipment accidentally was damaged. There is no indication in the records review that the equipment was intentionally destroyed or that the location supervisor advised the employee to destroy County property.

On July 17, 2013, during an interview with Internal Audit, Parks and Recreation staff indicated equipment had accidentally gotten wet when they were at the pool. The employee said the location supervisor had not advised them to destroy County property to obtain replacement property and the incident was accidental.

9) Employees completed non-County activities on County time using County facilities (FY 2005 and prior).

Concerns were raised that employees were completing non-County activities (i.e. selling pirated videos, completing haircuts, etc.) while on County time using the Immokalee Sports Complex and the Immokalee Community Center assets / facilities. Based upon limited information, the validity of the concern could not be determined.

In June 2005, BCC Human Resources completed a review based on a reported concern from an employee regarding employees completing non-County activities on County time. The BCC Human Resources review indicated non-County activities had not been completed on County time.

The use of County facilities for private business does not appear to have been evaluated during the Human Resources investigation. The review appears to have been limited to County time. The employees who allegedly completed non-County activities on County time using County facilities / assets are no longer employees of the County.

Conclusion

Personnel matters unrelated to financial transactions, financial information, or compliance will be referred to the BCC Human Resources Department and/or Parks and Recreation Department Management for further investigation and review.

Employees and citizens should be provided the opportunity to voice concerns without fear of retaliation. The citizen concern allegations indicate the “tone at the top” for prior Parks and Recreation Management was less than desirable. Most of the Parks and Recreation prior management team no longer work for the County. The current Parks and Recreation Management should provide open channels for communication and procedures for employees to be able to report concerns without fear of retaliation.

The Parks and Recreation Department has not sufficiently safeguarded, controlled, tracked, or monitored County assets. Lack of oversight is a strong concern for Parks and Recreation. The Parks and Recreation Department should ensure there are proper controls, policies, and procedures in place to limit risk, error, and misappropriation.

Audits do not relieve management of their responsibilities. It is the responsibility of County management to understand and implement the proper procedural controls in order to reduce and limit the risk of fraud, error, and misappropriation of County assets. Internal Audit may recommend improvements in audit reports, but ultimately it is the duty and decision of County management to formulate processes and controls that ensure compliance with Federal Regulation, Florida Statute, County Ordinance, and County Policies and Procedures.

Additional Recommendations:

- Payroll documents and documents containing confidential information (i.e. social security numbers) should be restricted to authorized employees and stored in a restricted and secured area.
- Proper care should be taken to ensure payroll records are accurate and reflect the appropriate date of the action.
- Proper care should be taken when uploading salary adjustments. Terminated employees should be immediately removed from payroll to prevent overpayment.
- Parks and Recreation should review computer policies with employees during annual training.

Additional County Management Comments:

“Management concurs with recommendations. The Social Security Number is no longer on the time card and employee identification on the time card is now completed with the employee’s SAP number. In June 2012, the department initiated a process where each payroll a compliance review is conducted to ensure that appropriate schedules, leave slips, and annotations on time cards were correct and consistent. In addition, the compliance review function ensures that all time sheets are signed by the employee and appropriate supervisor. Supervisory staff was retrained on this procedure in the summer of 2012. Regarding uploading salary adjustments, internal audit identified data in 2006 that reflected the need for this recommendation. The Human Resources Department has taken steps to ensure terminated employees are removed from payroll upon termination. The Department will provide annual review of computer policies beginning fall 2013.”

Internal Audit Comments:

Internal Audit acknowledges the cooperation and assistance from the County staff and Clerk’s Finance staff. The assistance provided by the departments greatly assisted in the audit process for review and investigation of concerns.