



Inspector General Insights

Background: During the Office of Inspector General's (OIG) routine review of the Board of County Commissioner's (BCC) agenda items, staff reviewed an executive summary to approve and authorize the removal of uncollectible account receivables in the amount of \$65,260.15 from the library's financial records. The executive summary was approved by the BCC during their regular meeting on December 14, 2021, agenda item 16.D.3.

DESCRIPTION	AMOUNT
MATERIALS AND PROCESSING FEES	\$28,627.95
OVERDUE FINES ON RETURNED MATERIALS	<u>36,632.20</u>
TOTAL	<u>\$65,260.15</u>

Subsequently, the OIG staff requested a list of the uncollectible items by patron from the Library Division Director.

Objective: The objective of this review was to determine whether the request to write-off these uncollectible accounts receivable was reasonable and within Collier County policy.

Scope: The scope for the above-mentioned objectives consisted of the following:

1. Review of the executive summary approved by the BCC on December 14, 2021, agenda item 16.D.3.
2. Review of the detailed uncollectible accounts by patron report as provided by the Library Division Director and as submitted as part of the Year End Memo to the Clerk's Finance Division.
3. Review of Resolution 2006-252 "A Resolution of the BCC of Collier County, FL, Approving Procedures for Managing Miscellaneous Receivables".

Observations: In our review of the Library uncollectible accounts by patron list, the OIG observed the following:

1. Patron 1000207417246 had the largest outstanding balance of \$912.74 for the actual cost of 45 unreturned items and processing fees.
2. There is one charge of \$0.90 that is for a patron that didn't have an account number on 11/21/2016.
3. There are 1,555 different account numbers that have late fees assessed on different dates, which raises the question about whether a patron can continue to borrow items from the library even though that patron has an outstanding balance.

4. Based on the criteria outlined below, there appear to be 123 duplicate records for a total of \$266.63, where we noted these similarities:
 - a. Same account number
 - b. Same date of when the charges were assessed
 - c. Same title of the book
 - d. Same total charge
5. The report provided by the Library Division Director does not display the efforts made, if any, to collect on these accounts.

Conclusion: As per section G of Resolution 2006-252, prior to the end of each fiscal year, county department directors shall review all past due accounts and approve the discontinuance of collection efforts for those receivables that appear to be uncollectible and report such accounts to the BCC.

The department has complied with the letter of the policy by presenting the list to the BCC for their consideration.

Recommendations & Actions: Given that the OIG had five questions about the procedures and controls related to this process in the initial year of review, the OIG plans to perform a more detailed audit of the process and the associated internal controls in 2023.

Total # Transactions	Amounts Audited or Reviewed	Questioned Costs	Taxpayer Savings	Observations/ Recommendations
20,885	\$65,260.15	\$65,260.15	\$0.00	5