

MEMORANDUM

To: Lenox Bramble, Director of the Public Works Department

From: R.B. "Chips" Shore, Clerk of the Circuit Court, County Comptroller and Auditor

Date: August 29, 1997

Subject: Solid Waste Division Follow-Up Audit

The Internal Audit Department has completed a follow-up audit based on the Audit Report of the Solid Waste Division issued on May 21, 1996. The follow-up audit consisted of reviewing corrective actions implemented by the Solid Waste Division for areas where we provided constructive criticism and recommendations. Internal Audit did not perform tests of compliance with these newly implemented controls. We will review compliance during the next regularly scheduled audit of the Solid Waste Division to determine whether the controls are functioning effectively and efficiently in accordance with management's designs and objectives.

We are pleased with the corrective actions implemented on the findings and recommendations included in the Audit Report issued May 21, 1996. Internal Audit believes the controls implemented will significantly improve the accountability over operations of the Solid Waste Division. Management has addressed all of the areas where we recommended improvements, however a few areas still require some additional attention.

1. Landfill tipping fees have not been increased to establish a reserve for future landfill acquisition and development. While the current rates are set at a level designed to cover the operating, closure and post-closure costs, they do not provide the additional revenue needed to establish a reserve.

Internal Audit recommends the Board of County Commissioners increase tipping fee rates to establish a reserve for future landfill acquisition and development.

2. Modifications to the scale house computer system to correct deficiencies noted in the original audit have not been made. These deficiencies include the following: the system does not automatically register movement onto the scale, requiring the attendant to enter each vehicle on the computer; the computer does not have a field to allow for the input of specific identification criteria, requiring the attendant to use a manual identification system; the system is not able to record all transactions made at the scale house, some transactions must still be manually recorded; and the system is unable to interface with the customer information system at the Public Works Department, which is used to bill customer accounts. The Information Services Department (ISD) personnel have

been working with the Solid Waste Division to address making modifications and upgrade the scale house computer system.

Internal Audit supports management's efforts to work with the Information Services Department to upgrade the scale house computer system to better address the needs of the Solid Waste Division.

Solid Waste Division Follow-Up Audit Memorandum

August 29, 1997

Page 2

3. There are still no procedures in place to monitor and verify the completeness and accuracy of the identification of waste from the Sarasota County portion of Longboat Key. The information provided by Waste Management to assist in this identification does not appear accurate or complete. The Public Works Department has not made a complete monetary recovery for the loads that were not properly identified as being from Longboat Key-South. In addition, management has not properly documented their policy regarding load mixing Sarasota and Manatee County wastes. The Solid Waste Division is currently attempting to recover additional tipping fees not previously paid and establish a policy on mixed loads.

Internal Audit supports management's continued efforts to pursue recovery of the tipping fees not paid and establish a written policy on mixed loads. We recommend management implement procedures which will confirm that all loads containing Sarasota County waste are charged the higher tipping fee rate. We further recommend they request additional information from Longboat Key and Waste Management to assist in this process.

We commend the Solid Waste Division's management and staff for the careful attention given to the audit findings. The majority of the original audit recommendations have been implemented and we noted significant improvements in the overall operations. We feel with the strengthening of controls in the areas mentioned, operations of the Solid Waste Division will function more effectively and efficiently. We thank the Solid Waste Division staff and management for their courteous assistance provided to our auditors.

RBS/RJO/LJS

cc: Board of County Commissioners

Ernie L. Padgett, County Administrator

Gus DiFonzo, Solid Waste Division Manager