



# Angelina “Angel” Colonnese

CLERK OF THE CIRCUIT COURT AND COMPTROLLER OF MANATEE COUNTY

1115 Manatee Avenue West, Bradenton, Florida 34205 - Phone (941) 749-1800 – Fax (941) 741-4082  
P.O. Box 25400, Bradenton, Florida 34206 - www.manateeclerk.com

## MEMORANDUM

To: Ava Ehde, Director, Neighborhood Services Department

From: Lori Stephens, Inspector General *Lori Stephens*

Date: October 9, 2020

Subject: Central Library Unannounced Audit of Cash Funds Follow-up Audit

The Division of Inspector General has completed a follow-up audit of the Unannounced Audit of Cash Funds of the Neighborhood Services Department’s Central Library based on the audit report dated March 21, 2019. This follow-up audit consisted of reviewing and testing the management action plans included in the original audit report to ensure that corrective actions have been implemented. The scope of the follow-up audit included the period from August 1, 2019, through January 31, 2020.

The Central Library utilizes one petty cash fund totaling \$100.00, and one change fund totaling \$400.00. These funds are used to cover minor departmental expenditures and to provide change related to the Central Library’s operations. All departments are required to follow Manatee County’s Petty Cash Policy as well as the Petty Cash and Change Fund Procedure.

We are pleased with the corrective actions taken by management since the original audit. Management now requires that two staff members be present when accessing, counting, and recording printer revenue, and have developed procedures to reconcile printer revenue to the supporting print count. The Library Fines and Fees Policy has been updated to include the library fees verbiage which was previously omitted; this was approved by the Board of County Commissioners (BCC) on March 10, 2020. The waived fines and fees report (Waive Report) for the quarter ending December 31, 2019, was adequately documented to support that it had been reviewed by the Library Services Manager. Additionally, management has obtained a “For Deposit Only” stamp, and developed endorsement procedures which have been provided to all circulation staff.

During the exit meeting on June 9, 2020, and through a subsequent discussion on September 11, 2020, your management staff, together with the Division of Inspector General, discussed areas where further improvements are still needed and agreed on the following corrective action plans:

“Pride in Service with a Vision to the Future”

Clerk of the Circuit Court – Clerk of Board of County Commissioners – County Comptroller – Auditor and Recorder

### **WAIVED FINES AND FEES**

An updated Library Materials Fines and Fees policy was approved by the BCC on March 10, 2020, which allows all staff to waive fines or fees up to \$5.00, and requires that staff add their initials to the waived record. For waived fines or fees greater than \$5.00, the policy also requires the initials of an approving supervisor.

We obtained a Waive Report for the Central Library for the period August 1, 2019, through January 31, 2020, which included 1,374 waived fines/fees, totaling \$8,112.07. We tested a statistical sample of 120 out of 1,133 waived fines/fees up to \$5.00, for evidence of a staff member's initials. We found that 15 out of the 120 (13%) were not documented with staff's initials. Additionally, we tested a statistical sample of 87 out of 241 waived fines/fees greater than \$5.00, for evidence of an approving supervisor's initials, along with a staff member's initials. We found that 12 out of the 87 (14%) were not documented with any supervisor approval or staff initials.

#### **Management Action Plan**

*Management is working with staff through training to educate and ensure all staff follow the approved BOCC policy. The estimated implementation date is September 30, 2021.*

### **PETTY CASH RECONCILIATION**

The County's Petty Cash and Change Fund Procedure requires that petty cash be reconciled as of the last day of the fiscal year, and replenishment requests be submitted to the Clerk's Office Finance Department by the year-end deadline, to ensure that expenses are allocated to the appropriate fiscal year. The Central Library's petty cash replenishment request was submitted to Finance on September 26, 2019, prior to the fiscal year-end deadline; however, it did not include an employee purchase made September 21, 2019, in the amount of \$13.65. That transaction was incorrectly included in a replenishment submitted in the subsequent fiscal year.

#### **Management Action Plan**

*The Central Library will reconcile petty cash as of the last day of the fiscal year and submit the final request for replenishment by the year-end deadline. The Central Library's internal Library Fiscal Year End Checklist has been updated to remind staff of petty cash reimbursement deadlines.*

*According to management, this management action plan has already been implemented. It will be evaluated during a future follow-up engagement.*

### **CHECK ENDORSEMENT**

The Central Library receives checks from patrons through the mail and at the circulation desk. Checks received through the mail are placed in a locked drawer until the deposit is prepared. Checks received at the circulation desk are entered into Smart Money Manager. Previously, the checks were not being restrictively endorsed until the deposit was prepared, which occurs twice per week. The Central Library has since developed procedures and obtained a "For Deposit Only" stamp to properly endorse checks upon receipt.

We attempted to verify the new check endorsement procedures; however, we were unable to complete this test. No checks were available to review at an unannounced visit to the library on August 13, 2020, and prior to that time, the library had been temporarily closed due to COVID-19.

*Management was made aware that we were unable to complete this audit step. The test will be included in a future follow-up engagement.*

We appreciate the attention you and your staff have given to the audit findings and the assistance given to the Division of Inspector General staff. Another follow-up audit will be scheduled after implementation of the management action plans.

LJS/BJW/LP

cc: Angelina "Angel" Colonnese, Clerk of the Circuit Court and Comptroller  
Board of County Commissioners  
Cheri Coryea, County Administrator  
John Osborne, Deputy County Administrator  
Karen Stewart, Deputy County Administrator  
Mitchell Palmer, County Attorney  
Kathy Cremaschi, Finance Department Director, Clerk of Circuit Court