



Angelina “Angel” Colonnese

Clerk of the Circuit Court & Comptroller of Manatee County

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MEMORANDUM

To: Molly White, Deputy Director, Sports and Leisure Services Department
Jodie Fiske, Director, Public Safety Department

From: Lori Stephens, Inspector General *Lori Stephens*

Date: October 5, 2023

Subject: Recreation Division Cash Controls Follow-up Audit #2

The Division of Inspector General has completed a second follow-up audit of the cash controls of the Sports and Leisure Services (formerly Parks and Natural Resources) Department’s Recreation Division, based on the prior follow-up audit memorandum dated March 16, 2020, and the original audit report dated May 5, 2017. This follow-up audit consisted of reviewing and testing the management action plans included in the previous follow-up memorandum to ensure that corrective actions have been implemented. The scope of the follow-up audit included the six-month period ending May 31, 2023.

The Recreation Division provides recreational opportunities to Manatee County residents and visitors by implementing and coordinating aquatic and athletic activities, youth camp programs, and special events throughout the County. These services are funded, in part, through the collection of user fees which are intended to cover all, or a portion, of the costs of the programs. The user fee schedule is approved by the Board of County Commissioners (BCC). User fees are collected at the G.T. Bray Recreation Center (GT Bray) and at the offsite aquatic centers; fees can also be paid online. The Recreation Division uses RecTrac, a recreation management software program, to process customer payments. Due to a recent reorganization of the departments, the offsite pools are now managed by the Public Safety Department’s Beach Patrol and Water Safety Division.

We are pleased with the corrective actions taken by management to successfully address the issues identified in the prior follow-up audit. Sales taxes are being calculated and collected in accordance with Florida Department of Revenue rules; an adequate segregation of duties exists for the processing of funds collected at GT Bray; and individual login codes are being used by lifeguards for cash register transactions at the offsite pools. However, we did identify one area where further improvements are still needed, as detailed below:

Cash Verification Sheets

At the offsite pools, lifeguards collect fees from customers and record the transactions in cash registers connected to RecTrac. At the end of each day, the lifeguards count the cash collected and reconcile the totals to the RecTrac reports; these reconciliations are manually documented on Cash Verification Sheets. The cash and supporting documentation are then stored in a

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locked safe. Approximately once a week, an Aquatics Supervisor collects the cash and documentation, performs a reconciliation, and remits it to Public Safety fiscal staff for deposit.

We reviewed a judgmental selection of 34 days of transactions during the audit period and found that the Cash Verification Sheet and/or supporting documentation was incomplete or missing for 17 of the days tested. However, this does not appear to represent a significant risk. We found no evidence of any missing funds, as the RecTrac cash receipts reconciled to the bank deposits, and as of May 27, 2023, the offsite pools have not been charging daily admission fees. This BCC approved pilot program is effective through November 27, 2024. In addition, during the six-month period ending May 31, 2023, when fees were collected, total offsite pool receipts (\$6,710) represented less than .5% of the County's Parks and Recreation Fund (106) user fee revenue (\$1.9 million).

The Aquatics Operations Captain is in the process of updating the lifeguard handbook and, in anticipation that the pools will resume the collection of admission fees in the future, this update will include procedures for completing the daily cash verification process. Additionally, training will be conducted with the lifeguards on these procedures.

We appreciate the attention you and your staff have given to the audit findings and the assistance provided to our audit staff. As the only outstanding finding is deemed to be low risk, another follow-up audit will not be scheduled. Public Safety management is committed to ensuring that strong cash controls are in place at the offsite pools, and will submit the updated procedures handbook to our office upon completion.

LJS/BJW/GR

cc: Board of County Commissioners
Charlie Bishop, County Administrator
Michelle Richardson, Parks & Recreation Manager, Sports and Leisure Services Dept.
John Linxwiler, Aquatics Operations Captain, Public Safety Department
Angelina "Angel" Colonnese, Clerk of the Circuit Court & Comptroller
Neil Unruh, Chief Deputy of Finance, Clerk of the Circuit Court & Comptroller
Kim Wilder, Finance Director, Clerk of the Circuit Court & Comptroller