

FOLLOW-UP AUDIT OF CORRECTIONS FOOD SERVICE ORANGE COUNTY CORRECTIONS DIVISION

AUDIT REPORT

Report by the
Office of the County Comptroller

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FOLLOW-UP AUDIT OF CORRECTIONS FOOD SERVICE – ORANGE COUNTY CORRECTIONS DIVISION

Food Service is responsible for providing meals to all inmates in the Orange County Corrections System. Approximately 13,000 meals per day are prepared for the inmates housed at the various Orange County correctional facilities.

August 1999
Report No. 280

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August 23, 1999

Mel Martinez, County Chairman
And
Board of County Commissioners

We have conducted a follow-up audit of the Corrections Food Service of the Orange County Corrections Division. Our original review included the period of October 1, 1992 to September 30, 1993. Testing of the status of the previous Recommendations for Improvement was performed during the period November 9, 1998 through January 29, 1999. Our audit was conducted in accordance with generally accepted government auditing standards and included such tests as we considered necessary in the circumstances.

The accompanying follow-up to Previous Recommendations for Improvement presents a summary of the previous condition and the previous recommendation. Following the recommendations is a summary of the current status as determined in this review. In addition, management was requested to respond to those items not fully implemented. As such, a response was received from the Manager of the Operations and Support Division and is incorporated herein.

We appreciate the cooperation of the personnel of Corrections Food Service during the course of the audit.

Martha O. Haynie, CPA
County Comptroller

c: Ajit Lalchandani, County Administrator
Tom Hurlburt, Director of Public Safety
Ray McCleese, Director of Corrections

**IMPLEMENTATION STATUS OF
PREVIOUS RECOMMENDATIONS
FOR IMPROVEMENT**

**FOLLOW-UP AUDIT OF CORRECTIONS FOOD SERVICE – ORANGE COUNTY CORRECTIONS DIVISION
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
1.	Food Service establish an inventory system to adequately account for all food usage.			X	
2.	Food Service maintain documentation as required by Standard Operating Procedure No. 200.	X			
3.	The Work Release Center:				
A)	Prepare adequate records to determine food usage.	X			
B)	Maintain records according to Standard Operating Procedure No. 200.	X			
4.	Food Service provide estimated quantities to the vendors when soliciting quotes to ensure that volume price breaks are obtained.	X			
5.	Food Service ensure that at least three quotes are solicited on produce orders. If three quotes cannot be solicited, documentation should be present to state reasons why they could not be solicited. In addition, Food Service should work with the Orange County Purchasing Department to identify additional qualified produce vendors.	X			
6.	Food Service work with Purchasing to obtain additional bids for the meat and dairy contracts.	X			
7.	A standard contract delivery clause be developed for all Food Service contracts.	X			
8.	Food Service maintain refrigeration and freezer temperatures at levels required to protect food from spoiling. In addition, explanations of exceeded temperature limits should be documented.		X		

**FOLLOW-UP AUDIT OF CORRECTIONS FOOD SERVICE – ORANGE COUNTY CORRECTIONS DIVISION
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
9.	Food Service comply with the existing Standard Operating Procedures concerning mandatory shift documentation. Additionally, management should review these packages and document such.	X			
10.	Food Service review the surplus food program(s) and determine if participation would be beneficial and cost effective.	X			
11.	Food Service periodically review the total cost per meal, including food, labor, and miscellaneous costs to ensure the cost is less than the charge for employee meal tickets.			X	
12.	Food Service supervise staff dining room operations to prevent abuse of dining privileges.	X			
13.	Food Service ensure the Equipment Training Checklist includes a training acknowledgement statement and a required signature.	X			
14.	Food Service establish a system to accurately match original produce orders, receipts, and payments.	X			
15.	Corrections and Finance jointly review the current procedures with the goal of eliminating unnecessary duplicate files, reducing paperwork, and establishing files that accurately match customer goods and services actually received to the dollar value expended.	X			

**FOLLOW-UP AUDIT OF CORRECTIONS FOOD SERVICE – ORANGE COUNTY CORRECTIONS DIVISION
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
16.	Food Service maintain supporting documentation for specialty meals to ensure each transaction is appropriate. This should include justification for the food service attendees, menus, and source of funding. In addition, County funds should not be used to purchase items for these luncheons unless a valid public purpose has been documented.	X			
17.	Food Service prohibit the trading of food or other kitchen items for goods or services from other County departments.	X			
18.	Food Service weigh products sold by weight as they are received.			X	

INTRODUCTION

INTRODUCTION



Follow-up Audit of
Corrections - Food Service

Scope, Objectives, and Methodology

The audit scope consisted of a follow-up review of the previous audit of Corrections – Food Service dated February 1995. That audit included a review of internal controls over food service procedures and compliance with applicable federal, state, and Orange County regulations. The previous audit resulted in eighteen recommendations for improvements in the areas of, inventory management, purchasing, receiving, payments, dining operations, and maintenance of required documentation.

Testing of the status of recommendations was performed during the period of November 9, 1998 through January 29, 1999, and consisted of visual observations of operations, interviews with key personnel, and a review of sampled documentation on file.

Unless specifically noted, no additional audit procedures were performed other than following up on the previous Recommendations for Improvement. Had we performed additional procedures in addition to those relating to the follow-up, other matters relating to the food service operation coming to our attention would have been included in this report. Subsequent to the completion of this audit, we noted that procedures for the collection of meal ticket revenue had changed significantly. The results of a special review of these procedures will be addressed in a separate report.

**FOLLOW-UP TO PREVIOUS
RECOMMENDATIONS FOR
IMPROVEMENT**

1. An Inventory System Should Be Established To Adequately Account For All Food Usage

During the previous audit, we noted that few controls were in place to adequately monitor food usage. As a result, we were unable to account for some food inventory. Our concerns are noted below:

- A) Food items were depleted at a rate more than the reported monthly usage for high-risk food items tested. A comparison between food usage and reported usage found over \$5,145 of food that was unaccounted for, during a thirty-day period, for the items tested. As such, we had no assurance that the food was actually served to the inmates. Pilferage could have occurred without detection because of the inability to match physical quantities to written records and the inability to affix responsibility.
- B) No one individual was responsible for the receipt and issuance of food inventory. In addition, no records were kept to record items removed from food storage for processing.

We Recommend Food Service establish an inventory system to adequately account for all food usage.

Status:

Not Implemented. Our review of the current inventory procedures and practices disclosed that adequate controls are not in place to monitor food usage. Although Food Service has hired an Inventory Supply Clerk whose duties include monitoring food inventories, neither a manual nor a computer based perpetual inventory system has been installed. Therefore, there is no system to record quantities of foods received or issued. Instead, Food Service relies on physical counts of food items taken by the same individuals who have access to the inventory at the end of each month. These counts and the anticipated amounts needed, based on the monthly cyclical menu, are used to determine the quantities to be ordered for the coming month. The

**FOLLOW-UP TO PREVIOUS
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Department's practice is to keep inventory levels to a minimum, both for control and efficiency, and amounts received are generally used up almost immediately after receipt. Although these practices suffice for ordering purposes, they do not provide protection from, or detection of, pilferage.

To test the accuracy of the inventory records, we compared the beginning and ending inventories for the month of October 1998 and determined the net change for four food items. We then attempted to reconcile the net changes by considering the amounts received and the amounts served during October, according to Food Service's records. The results of our test are shown below:

	*Turkey Franks	*Meat Loaf	*Country Steak	*Veal Patties
Beginning inventory per Food Service.)	0	0	0	0
Received per records	1056	3350	2200	3300
Used per records	(854)	(3206)	(2177)	(3194)
Ending inventory calculated by auditor	202	144	23	106
Ending inventory per Food Service	500	3420	0	3420
Over/(short)	298	3276	(23)	3314
Value over/(under)	\$190	\$3,182	(\$20)	\$2,880

*Quantities are shown in pounds unless otherwise indicated as dollars.

As the above table illustrates, for two of the items tested (Franks and Country Steak) the inventory records closely approximated the inventory that should have been on hand according to the records of receipts and usage. However, for the other two items tested (Meat Loaf and Veal Patties), the amounts reported to be on hand at the end of October were more than 3,000 pounds above the amount that should have been on hand if the records of receipts and usage were correct.

Inventory procedures at the Work Release Center are essentially the same as those at the main facility described above. During the follow-up audit at the Work Release Center, we performed a test of the physical count at the end of November 1998 for one item (veal patties). This test showed that the ending inventory was 47 pounds (value \$41) less than it should have been considering the beginning inventory, receipts, and servings during the month.

An inventory system that is adequate to account for food usage should include the following:

- a system of perpetual records, either manual or personal computer based, to which receipts and usage are posted continually as they occur,
- annual or periodic physical counts taken by individuals who do not have access to the inventory as part of their duties, and differences between the actual counts and the inventory records promptly reconciled, and
- unannounced testing of the accuracy of the records by management, through sampling techniques, and verifying the quantities on hand for the items sampled to the applicable inventory records.

We Again Recommend Food Service establish an inventory system to adequately account for all food usage at both the main facility and Work Release Center. Depending on whether funds are available, a personal computer based system could provide the accountability needed. Receipts and usage of inventory items should be posted to the system on a daily basis. In addition, Food Service management should periodically test the accuracy of the inventory records by taking random samples of food items and verifying the quantities on hand to the inventory records. Differences noted, if any, should be researched and reconciled and the records adjusted accordingly. Also, complete physical inventories should be taken periodically by individuals who do not normally have access to the items being inventoried.

Management's Response:

We concur. An inventory clerk was hired to meet this need, but unfortunately has been assigned other tasks, including special events, which take him away from the docks and storeroom. In order for the inventory to be correct, he must be on the dock during deliveries. It was decided we would absorb the other tasks from the clerk and make him exclusively responsible for the inventory. We will be implementing these changes in the near future once the process is changed and a program is initiated.

2. Food Service Should Maintain The Inventory Records As Required By Standard Operating Procedure No. 200

During our previous audit, we noted that various records, required to be maintained by Standard Operating Procedure 200, were not available. These records included published menus, inventories (monthly counts), purchase requests, and monthly food counts. These records are necessary to determine if food usage is consistent with food purchased.

We Recommend Food Service maintain documentation as required by Standard Operating Procedure Number 200.

Status:

Implemented. Food Service is now maintaining the records required by Standard Operating Procedure Number 200.

3. The Work Release Center Should Maintain Adequate Records To Determine Food Usage

During our previous audit, we could not determine food usage during the audit period due to inadequate documentation. The following concerns were noted:

**FOLLOW-UP TO PREVIOUS
RECOMMENDATIONS FOR
IMPROVEMENT**



Follow-up Audit of
Corrections - Food Service

- A) Records of products received from the Thirty-third Street facility are not prepared. Menus for the month are not adequately prepared, and “extra” items are sometimes substituted but not included on the menu.
- B) Beginning and ending inventory records for the month are not always maintained. Meal accountability sheets are not always retained and do not always contain the quantity used. Records are not kept of the number of bag lunches prepared and bag lunches are included in the regular hot meal count.

We Recommend the Work Release Center:

- A) Prepare adequate records to determine food usage.
- B) Maintain records according to Standard Operating Procedure No. 200.

Status:

- A) Implemented. The Work Release Center is no longer receiving products from Thirty-third Street and is now preparing and maintaining the documentation that was lacking during the original audit.
- B) Implemented. The Work Release Center is now maintaining documentation as required by Standard Operating Procedure No. 200, including records of beginning and ending inventories.

4. Estimated Quantities Should Be Provided To Produce Vendors To Ensure That Volume Price Breaks Are Obtained

During our previous audit, we noted that Food Service did not provide produce vendors with the estimated quantities of each line item when soliciting quotes. Therefore, Food Service may not have been receiving all available volume price breaks.

We Recommend Food Service provide estimated quantities to the vendors when soliciting quotes to ensure that volume price breaks are obtained.

Status:

Implemented. Food Service now provides produce vendors with estimated quantities when soliciting quotes.

5. Food Service Should Ensure That At Least Three Quotes Are Obtained For Weekly Produce Orders And Work With The Orange County Purchasing Department To Identify Additional Qualified Produce Vendors

During the previous audit, 17 percent of the produce orders sampled had less than three quotes solicited. Also, less than three quotes were received in forty eight percent of the produce purchase orders reviewed. This may have occurred because only four vendors were on the qualified produce vendor list.

We Recommend Food Service ensure that at least three quotes are solicited on produce orders. If three quotes cannot be solicited, documentation should be present to state reasons why they could not be solicited. In addition, Food Service should work with the Orange County Purchasing Department to identify additional qualified produce vendors.

Status:

Implemented. For all produce orders, Food Service now solicits quotes from five approved vendors.

6. Food Service Should Work With Purchasing To Obtain Additional Bids For The Meat and Dairy Products

During the previous audit a review of eight contracts entered into by Food Service disclosed that less than three bids were

received for the meat and dairy products contracts. Although 30 vendors were solicited, the vendors on the bid list may not have been able to adequately provide the products or meet the terms of the contracts.

We Recommend Food Service work with Purchasing to obtain additional bids for the meat and dairy contracts.

Status:

Implemented. During the follow-up audit we reviewed six current contracts for various types of food products, including meat and dairy. For all six contracts reviewed, at least three bids were received.

7. A Standard Contract Delivery Clause Should Be Developed For All Food Service Contracts

The previous audit disclosed that some of the food contracts did not have delivery clauses to ensure that food was delivered when needed. Consequently, Food Service was dependent on vendors for timely delivery once orders are placed.

We Recommend a standard contract delivery clause be developed for all Food Service contracts.

Status:

Implemented. A standard delivery clause has been developed and this clause is included in all current Food Service contracts. This clause specifies that delivery time is of the essence and shall be no later than 48 hours after receipt of the release order. In addition, failure to meet the delivery requirement shall result in default and immediate termination of the release order, or contract.

8. Food Service Should Establish Procedures To Document Why Refrigeration Temperatures Are Above Acceptable Limits And If Any Action Is Required

The previous audit disclosed that refrigerator and freezer temperatures were not being maintained at levels necessary to protect food from spoilage. Thirteen readings over a ten-day period were taken of three refrigerators and a freezer. Temperatures above acceptable levels were noted for 54 percent of the readings for the freezer and 100 percent of the readings for one of the refrigerators. Also, shift supervisors were not required to investigate and document the reasons for temperatures exceeding the standards.

Chapter 10D-13.024(2) and 10D-13.024(4), Florida Administrative Code, require refrigeration and freezer temperatures to be maintained at 45 degrees or less and freezer temperatures at zero degrees.

We Recommend Food Service maintain refrigeration and freezer temperatures at levels required to protect food from spoiling. In addition, explanations of exceeded temperature limits should be documented.

Status:

Partially Implemented. During the follow-up audit we reviewed the reported temperatures of the three refrigerators and the freezer for a ten-day period. The refrigerators reviewed had readings mostly within the normal range, however, some readings between two and six degrees above the required range were noted. Although significant improvement in the refrigerators was noted, the freezer temperatures were far above standard each day of the ten-day test period. The temperature, which should have been zero, ranged from a low of 19 degrees to a high of 54 degrees, indicating that the freezer has continually not been functioning properly.

In addition, there is still no documentation indicating that shift supervisors are investigating and reporting on the reasons for excessive temperatures when noted.

Food Service officials stated that although there are mechanical problems with the freezer, they have been able to function without experiencing spoilage primarily because food is not stored in the freezer for any great length of time.

We Again Recommend Food Service maintain freezer temperatures at levels required by Florida Administrative Code to protect food from spoiling. In addition, explanations of exceeded temperature limits should be documented.

Management's Response:

We concur. All the freezer seals have been replaced and are at the required temperature. There is in effect supporting documentation indicating all freezers and refrigerators are monitored daily for temperature. If there is a problem, noted documentation will be made. Facility Management is monitoring temperatures to ensure compliance and to make future adjustments.

9. Food Service Should Comply With The Existing Standard Operating Procedure Concerning Mandatory Shift Documentation

The previous audit disclosed that Food Service shift supervisor documentation packages were not being completed as required. Ninety percent of the documentation packages reviewed were incomplete. In addition there was no evidence that the documentation packages were being reviewed by management. Documentation missing included supervisor day sheets, daily inspection forms, deficiency reports, and daily inspection packages.

We Recommend Food Service comply with the existing Standard Operating Procedures concerning mandatory shift

documentation. Additionally, management should review these packages and document such.

Status:

Implemented. Supervisor documentation packages now include all documentation required by Standard Operating Procedures, and are being reviewed daily by Management.

10. Food Service Should Investigate The Feasibility Of Participating In The United States Department Of Agriculture Donated Commodities Program

The previous audit found that Food Service is not participating in the United States Department of Agriculture (USDA) Donated Commodities Program available to correctional institutions. Florida Department of Agriculture regulations and Section 1859, United States Code, Title 7 permit correctional institutions to utilize selected surplus food items to augment menus for inmates. Participants must agree not to use the products to reduce normal expenditures for food.

We Recommend Food Service review the surplus food program(s) and determine if participation would be beneficial and cost effective.

Status:

Implemented. Food Service reviewed the various programs and temporarily participated in the National School Lunch Program that subsidizes juvenile meals and the Donated Commodities Program. However, due to the excessive paperwork as well as quality and delivery problems, Food Service concluded that the programs were not beneficial or cost effective.

11. Food Service Should Periodically Review Total Costs Per Meal To Ensure The Cost Is Less Than The Charge For Employee Meal Tickets

The previous audit pointed out that in calculating the cost of meals per person, Food Service uses food cost but excludes labor and material cost. Orange County employees purchase meal tickets to eat in the staff dining facility. When considering the break even charge for meal tickets, all food, labor, material, and miscellaneous costs associated with operating Food Service should be considered. At the time of the previous audit the auditors calculated that the cost per meal closely approximated the one-dollar charged for meal tickets.

We Recommend Food Service periodically review the total cost per meal, including food, labor, and miscellaneous costs to ensure the cost is less than the charge for employee meal tickets.

Status:

Not implemented. During the follow-up review, Food Service could not provide any documentation that they had been monitoring the cost of meals. The Assistant Manager of Food Service stated that the cost was being monitored but records of such were not maintained. After the auditor brought this to his attention, the Assistant Manager had a staff member prepare some cost data relevant to the month of October 1998. This analysis consisted of: (1) a list of the employees involved in food preparation and serving and their respective salaries, (2) total expenditures for food, and (3) certain miscellaneous costs. It did not include a factor for employee fringe benefits, or any provision for overhead costs to cover the cost of Corrections Management. There is no assurance that the cost of meals provided to employees is still below the current one-dollar charge for a meal ticket.

We Again Recommend Food Service perform periodic reviews of the cost per meal, including food, labor (including fringe benefits), overhead, and miscellaneous costs to

ensure that the cost is less than the charge for employee meal tickets. Also, documentation of periodic cost studies should be maintained on file.

Management's Response:

We concur. Mr. Crane will be reviewing the meal count sheets from the last fiscal year. He will then calculate a figure based on the entire food service budget, including staff benefits, and utilities. Once this has been accomplished, a cost per meal for employees will be determined. Thereafter, this process will be repeated at the end of each fiscal year and increases will occur each January if indicated.

12. Staff Dining Room Operations Should Be Supervised By Food Service To Prevent Abuse Of Dining Privileges

During the previous audit, County employees were observed abusing their dining privileges. It was noted that employees were instructing trustees to give them multiple portions of meat and other items. It was also noted that some employees were eating without purchasing a meal ticket.

We Recommend Food Service supervise staff dining room operations to prevent abuse of dining privileges.

Status:

Implemented. Food Service has assigned a Community Service worker to sell meal tickets in the dining room and ensure that tickets are collected prior to the employee receiving a meal. Also, the Community Service worker is responsible for informing Food Service Management of any employee who is not complying with the established procedures. We did not observe any instances of abuse of dining privileges.

13. The Equipment Training Checklist Should Contain A Training Acknowledgement Statement And A Signature Block

During the previous audit, we noted that trustees trained in the use of equipment were not required to sign the equipment-training checklist to acknowledge that they had received the applicable training. The auditors were concerned that the County could be liable should an inmate be injured while using equipment without documented proof that the inmate had received the proper training to use the equipment.

We Recommend Food Service ensure the Equipment Training Checklist includes a training acknowledgement statement and a required signature.

Status:

Implemented. During the follow-up audit, we reviewed 90 completed training forms. All included a training acknowledgement statement and were signed by the applicable trainee.

14. Food Service Establish A System To Accurately Match Produce Orders, Receipts, And Payments

During the previous audit, for seven percent of the purchase orders sampled, the auditors could not match with certainty the material received to the amount of payment.

We Recommend Food Service establish a system to accurately match original produce orders, receipts, and payments.

Status:

Implemented. Food Service has established the recommended procedures. During the follow-up review, three produce purchase orders with multiple deliveries were reviewed and no discrepancies were noted. In all cases the

amount of the payments were equal to the contract price of the products received.

15. Corrections And Orange County Comptroller's Finance And Accounting Should Jointly Review Current Documentation And Filing Requirements For Purchase Orders And Release Orders

During the previous audit it was found that, for 23 percent of the Purchase Orders/Release Orders (PO/ROs), sampled, the dollar value of the receiving reports in the Corrections file did not match the amount paid by Finance to the vendor. In addition, for 10 percent of the PO/ROs sampled, the dollar value of the vendor invoices in the Corrections file did not match the amount Finance paid to the vendor. Ultimately, the differences noted were reconciled.

We Recommend Corrections and Finance jointly review the current procedures with the goal of eliminating unnecessary duplicate files, reducing paperwork, and establishing files that accurately match customer goods and services actually received to the dollar value expended.

Status:

Implemented. Currently, Food Service monitors receipts of goods and services and sends supplementary receiving reports (summaries of receipts) to Finance. Finance only pays vendors for the amounts received. During the follow-up audit no discrepancies between the amounts received and the amounts paid were noted.

16. Supporting Documentation Should Be Maintained For Specialty Luncheons And County Funds Should Not Be Used To Purchase Items for These Luncheons Unless A Valid Public Purpose Is Met

**FOLLOW-UP TO PREVIOUS
RECOMMENDATIONS FOR
IMPROVEMENT**



During the previous audit, we had the following concerns:

- A) There were no records kept to determine the number of “specialty lunches” held, food served, attendees or documentation that the event served a valid public purpose.
- B) The cost of food served sometimes exceeded the money collected and the difference was contributed by vendors.
- C) Some food served at these functions was paid for by Orange County.

Because these activities have a high risk of abuse, it is essential that adequate records be maintained.

We Recommend Food Service maintain supporting documentation for specialty meals to ensure each transaction is appropriate. This should include justification for the food service attendees, menus, and source of funding. In addition, County funds should not be used to purchase items for these luncheons unless a valid public purpose has been documented.

Status:

Implemented. Adequate records of “specialty lunches” are now being maintained by Corrections. These records include numbers of attendees, menus, cost of food, and funding source. They are currently following the procedures prescribed in Orange County Administrative Regulation No. 7.14 and Orange County Corrections Division Administrative Order No. AM.023.

17. Food Service Should Prohibit The Trading Of Food Or Other Kitchen Items For Goods Or Services From Other County Departments

During the previous audit it was determined that food items were traded to various departments within the County to obtain either faster services or as a good will gesture.

We Recommend Food Service prohibit the trading of food or other kitchen items for goods or services from other County departments.

Status:

Implemented. During the follow-up audit, the auditors observed kitchen operations on a continuous basis, and also interviewed shift supervisors concerning current practices and procedures. During this time no instances came to our attention that led us to conclude that trading of kitchen items for food or other services was still continuing .

18. Food Service Should Weigh Products Bought On A Per Pound Basis

During the previous audit it was noted that although Food Service is billed for items based on total pounds received, they did not have a scale to weigh these items when received.

We Recommend Food Service weigh products sold by weight as they are received.

Status:

Not Implemented. In their response to the previous audit, Food Service stated that they agreed with the recommendation and would purchase a large scale in 1995/96. However, the scale was not purchased. Food Service now feels that the cost of a new large scale is not justified by the benefit of weighing incoming packages. Instead they said that they are using a small scale to weigh individual portions contained in the various packages on a random basis. We agree that weighing portions of incoming shipments on a sample basis is the most practical method of verifying receipts. However, Food Service could not provide any documentation that portions are being weighed on a

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Corrections - Food Service

sample basis and the individual responsible for overseeing the receiving process stated that he did not observe any portions being weighed.

We Again Recommend Food Service weigh products sold by weight as they are received. At a minimum, representative samples of individual portions should be selected, on a random basis, for verification and variances brought to the attention of the vendor.

Management's Response:

We concur. By the Comptroller's admission our vendors ship by piece, but we pay by pound. We will purchase a scale durable enough to randomly weigh goods on a routine basis. As noted in issue one, our inventory clerk must be readily available to receive goods from the vendors. In addition, we will be looking at changing the delivery times to be conducive to the times someone will be available to ensure our inventory control is complete and accurate.