

**Follow-up Audit  
of the  
Children and Family Services  
Board of  
Great Oaks Village**

**Report by the  
Office of County Comptroller**

**Martha O. Haynie, CPA  
County Comptroller**

County Audit Division

J. Carl Smith, CPA  
Director

Christopher J. Dawkins, CPA  
Deputy Director

Dexter J. Watts, Senior Auditor  
In-Charge Auditor

**Report No. 293  
September 2000**

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September 7, 2000

Mel Martinez, County Chairman  
And  
Board of County Commissioners

We have conducted a follow-up audit of the Children and Family Services Board of Great Oaks Village. Our original review included the period of October 1, 1994 to March 31, 1997. Testing of the status of the previous Recommendations for Improvement was performed the period November 1, 1999 through January 31, 2000.

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, we received a response from the Manager of the Health and Human Services Division and have included it following the status of the previous Recommendations for Improvement.

During our review, we noted that all but one of the previous Recommendations for improvement were implemented. **We commend** the Division for their efforts. We appreciate the cooperation of the personnel of the Youth & Family Services Division during the course of the audit.

Martha O. Haynie, CPA  
County Comptroller

c: Ajit Lalchandani, County Administrator  
Larry Jones, Director, Health and Family Services  
Lee Ann Lowery, Manager, Health and Family Services

**IMPLEMENTATION STATUS OF  
PREVIOUS RECOMMENDATIONS FOR  
IMPROVEMENT**

**FOLLOW-UP OF THE CHILDREN AND FAMILY SERVICES BOARD OF GREAT OAKS VILLAGE AUDIT  
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
1.	The Children and Family Services Board (Board) ensures that all monies on hand exceeding \$200 are deposited within the next business day and all monies of \$200 or less are deposited within five business days.			X	
2. A)	The Board ensures that all documentation for expenditures where reimbursement is requested is submitted to the Comptroller's Finance and Accounting Department.	X			
B)	The Comptroller's Finance and Accounting Department implements a follow-up system on advances which were granted but where no documentation was provided by the Board.	X			
3.	The Board reports the purchase (or donation) of all tangible fixed assets costing over \$500 to the Comptroller's Property Accounting Department.	X			
4.	All unused funds from activities be redeposited in a timely manner.				X
5.	Efforts be strengthened to ensure that records and reports of the monthly expenditures are prepared and kept on file.				X

**FOLLOW-UP OF THE CHILDREN AND FAMILY SERVICES BOARD OF GREAT OAKS VILLAGE AUDIT  
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
6.	Efforts be taken to ensure that the previous month's ending fund balance is calculated correctly and carried forward as the beginning balance for the following month.				X

# INTRODUCTION

### Scope and Methodology

The audit scope was limited to a follow-up review of the previous recommendations for improvements issued to the Children and Family Services Board (Board) in audit report number 262 dated July 1998. Testing of the status of previous recommendations was performed for the period covering November 1, 1999, through January 31, 2000. The methodologies used were as follows:

To ensure all recorded revenue was deposited, we obtained cash receipts for the Board using the On Line General Ledger table in County's Financial System (LGFS). We then selected a sample of Classification of Receipts (COR) to pull from the Comptroller's Finance and Accounting Department based on the COR's deposited amount. Then we obtained Health & Family Services' Fiscal Office copy of the deposit information received from the Board at Great Oaks Village. We compared the date received by Great Oaks Village to the date the Classification of Receipts was prepared by the Fiscal Office. We then compared that date to the date the Classification of Receipts was sent to the Comptroller's Finance and Accounting Department for actual deposit to the bank account.

To determine if all fixed asset items were properly recorded and tagged by Property Accounting, we obtained a printout of the property inventory record of the Youth and Family Services Division from the Comptroller's Property Accounting section. We reviewed the list to select only those items that were purchased from the fund. We also reviewed expenditures made during the audit period to determine if any fixed asset purchases were made.

To ensure that expenditures were properly documented, we selected a sample of expenditures from the LGFS. We reviewed the expenditures to ensure that the proper receipts/invoices were attached before Finance made reimbursement for the requested expenditures. We also reviewed copies of Health and Human Services' Fiscal Office records to ensure that proper documentation was obtained to support the expenditure made by the Board. Finally, we reviewed the invoices and support for mathematical accuracy.



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

**1. All Deposits Should Be Made On A Timely Basis**

We noted that 67 percent (39 of 58) of the deposits tested during the audit period were not deposited within five business days for deposits under \$200 and the next business day for deposits of \$200 or more.

**We Recommend** the Board ensures that all monies on hand exceeding \$200 are deposited within the next business day, and all monies of \$200 or less are deposited within five business days.

**Status:**

Not Implemented. The Board accepts donations and prepares an interoffice memo detailing the collections and forwards the memo and collections to the department's fiscal office. However, since the Board does not record the date the monies were received, we cannot verify whether monies were deposited timely. To provide a more consistent record of donations received by the Board, a log to record the date and amount of donations received into the office should be used.

**We Again Recommend** the Board ensures that all monies on hand exceeding \$200 are deposited within the next business day and all monies of \$200 or less are deposited within five business days.

**2. All Board Expenditures Should Be Supported By An Invoice Or Other Supporting Documentation**

Forty-two percent (37 of 87) of applicable expenditures tested during the audit period could not be traced to a supporting invoice or receipt to substantiate the expenditure. Nineteen of the instances occurred after 1996, the period in which the County Comptroller assumed the responsibility of issuing checks to the Board for check requests submitted to the Comptroller's Finance and Accounting Department. Once the Comptroller's Finance and Accounting Department

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**STATUS OF PREVIOUS  
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issues a check per the check request, they are to ensure that the Board subsequently submits the receipts for which the funds were expended.

**We Recommend** the following:

- A) The Board ensures that all documentation for expenditures where reimbursement is requested is submitted to the Comptroller's Finance and Accounting Department.
- B) The Comptroller's Finance and Accounting Department implements a follow-up system on advances which were granted but where no documentation was provided by the Board.

**Status:**

- A) Implemented. We noted that all of the expenditures from the Board were supported by receipts. Three of the nine checks reviewed were advances, but eventually all receipts were forwarded to the Comptroller's Office.
- B) Implemented. We did note three instances in which the Board remitted receipts to the Comptroller's Finance and Accounting Department after receiving the reimbursement check. The accounts payable clerk who handles the account maintains a list of the items in which the Board did not submit receipts. She places a call to the fiscal clerk at the Health and Human Services Division to follow-up on the status of the receipts not submitted with the original reimbursement request. Once she receives the receipts, she attaches them to the filed check copy.



**3. All Purchases Of Fixed Asset Property Should Be Reported To The Comptroller's Property Accounting Office To be Tagged and Recorded In the Property Records**

A soda vending machine purchased by the Board using Children and Family Services Board monies was not reported to the Comptroller's Property Accounting Department. Section 274.02, Florida Statutes, requires fixed asset property over \$500 to be properly marked and tagged.

**We Recommend** the Board reports the purchase (or donation) of all tangible fixed assets costing over \$500 to the Comptroller's Property Accounting Department.

**Status:**

Implemented. We located the purchase of five computers in July and September of fiscal year 1998. The computers have been recorded by Property Accounting and tagged. We did not note any fixed asset purchases in fiscal year 1999 or during our audit period.

**4. Unused Funds From Group Activities Should Be Redeposited On A Timely Basis**

We noted eight instances in which leftover funds from Parental Home Commission checks were redeposited on an untimely basis. Amounts ranged from \$1,005 being redeposited 39 days after check issuance to \$13 redeposited 47 days after check issuance.

**We Recommend** all unused funds from activities be redeposited in a timely manner.

**Status:**

On July 16, 1996, the Children and Family Services Board transferred responsibility for the financial activities to the Orange County Comptroller's Finance and Accounting

Department. The Children and Family Services Board no longer has the responsibility of depositing monies. As such, we have **no further recommendation.**

**5. Monthly Expense Reports Should Be Maintained By The Children and Family Services Board To Verify Monthly Financial Activity**

We could not locate the monthly activity expense report for the Allowance fund for June 1996, the expense report for the Cottage fund for June 1996, and the expense reports for the Special Activity fund for June and December of 1996.

**We Recommend** that efforts be strengthened to ensure that records and reports of the monthly expenditures are prepared and kept on file.

**Status:**

On July 16, 1996, the Children and Family Services Board transferred responsibility for the financial activities to the Orange County Comptroller's Finance and Accounting Department. The Children and Family Services Board no longer has the responsibility of preparing the monthly expense reports in question. As such, we have **no further recommendation.**

**6. Efforts Should Be Taken to Ensure That Beginning and Ending Fund Balances Are Calculated Correctly**

We noted four instances where the Special Activity fund beginning fund balance did not agree to the previous month's ending balance. This fund's average monthly balance is \$250. The differences ranged from a shortage of \$91.86 to an overage of \$34.50.

**We Recommend** that efforts be taken to ensure that the previous month's ending fund balance is calculated correctly

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and carried forward as the beginning balance for the following month.

**Status:**

On July 16, 1996, the Children and Family Services Board transferred responsibility for the financial activities to the Orange County Comptroller's Finance and Accounting Department. The Children and Family Services Board no longer has the responsibility of preparing the monthly expense reports in question. As such, we have **no further recommendation.**

**Management's Response:**

I was pleased that your follow-up audit of the Children & Family Services Board found that five of the six previous recommendations were implemented or no longer applicable. This represents outstanding work on the part of county staff, who should be commended for ensuring the successful transition of the private board fund to a county donations budget.

We note that you were unable to verify that deposits of donations were made within the time limits prescribed by the county. This was primarily the result of the absence of a date received on the interoffice memo that is forwarded to the department fiscal office with the donation. We have addressed this internally by adding this field to the interoffice memo and to our database for tracking donations.

However, as you know, many of our donations come during short, specific periods of time such as holidays, especially Christmas, and during our fundraising events. Although always secured safely, during these times, the requirement that all donations totaling \$200 or more be deposited by the next business day has been difficult to achieve. Once received by Youth & Family Services, the donations have been forwarded to the department fiscal office, which was responsible for making the deposit. Effective immediately, we have eliminated this step in the process. The Senior

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**STATUS OF PREVIOUS  
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Program Manager for Administration and Support (or designee) will be responsible for deposits of all donations and forward the receipt to the department fiscal office.

These changes in our internal processes should ensure that all donations to the Children & Family Services Board fund are deposited within the time limits set by the county. Please let me know if you need additional information.