

INTERNAL AUDIT REPORT

**Audit of the Parking Lot Agreement Between
The School Board of Broward County, Florida
and the City of Fort Lauderdale
For the 2014-15 and 2015-16 Fiscal Years**

November 2017



To be presented to the:

**Audit Committee on
November 16, 2017**

**The School Board of Broward County, Florida on
December 5, 2017**

By

The Office of the Chief Auditor



Broward County Public Schools

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THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

600 SE 3rd AVENUE • FORT LAUDERDALE, FLORIDA 33301 • TEL 754-321-2400 • FAX 754-321-2719

Office of the Chief Auditor
Patrick Reilly, Chief Auditor
www.browardschools.com

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ROBERT W. RUNCIE
Superintendent of Schools

Ladies and Gentlemen:

The Office of the Chief Auditor performed an audit investigation based upon a request from Mr. Robert W. Runcie, Superintendent, who had been advised by Ms. Leslie Brown, Chief Portfolio Services Officer, that a discrepancy had been found in the collection of revenues from the District's two Global Metro MKS parking meter stations (hereinafter called pay stations). We were advised that at the time of renewing the contract with the City of Fort Lauderdale, which was presented and approved by the School Board on June 13, 2017, an Executive Summary was prepared that noted for fiscal year 2015-16, the District reported \$178,864 in net revenues, according to the General Ledger Parking Lot Revenue account. The parking lot operations were handled by the Facility Planning and Real Estate Department. The Director of the Facility Planning and Real Estate Department requested that the Treasurer's Office reconcile the General Ledger Parking Lot Revenue account. At the time of the preparation of the Executive Summary for the renewal of the parking lot contract, the Treasurer's Office attempted to reconcile the General Ledger net revenue amount of \$178,864 with the Global Parking Solutions, USA's (hereinafter called Global) Revenue Summary Report from the two pay stations. The Treasurer's Office discovered a difference between cash collections reported on the Global Revenue Summary Report and the General Ledger Parking Lot Revenue account for fiscal year 2015-16 in the amount of \$14,500. The reported \$14,500 in missing cash collections had not been deposited to the bank, and represents only a two-month period for July and August 2015. Beginning September 1, 2015, cash was no longer accepted as a payment method. The two pay stations were re-programmed to accept credit cards only.

After confirming that cash collections were missing for the 2015-16 fiscal year, we expanded our audit to include the 2014-15 fiscal year. The 2014-15 fiscal year was the initial year of implementation of the contract with the City of Fort Lauderdale using the two new pay stations, installed in November 2014. We discovered that \$43,103.55 in cash collections had not been deposited to the bank for the entire 10 month period between November 5, 2014 and September 1, 2015. For this 10 month period where cash was collected, only six deposits totaling \$13,690.30 were made at the Bank of America into the District's main operating account. We audited credit card sales related to the parking lot revenues and did not note any discrepancies. Upon request for all parking related documentation from District staff, we were told that all documentation was missing, such as deposit slips, bank records, Global's EziCom revenue reports and pay station cash removal receipts from Global.

Our audit objectives were to determine whether the allegation of missing funds was substantiated; to determine compliance with the Facility Planning and Real Estate Department's Guide and Procedural Manual for Receiving Cash from the Parking Lot; to determine if internal control procedures were in place and being followed and to report recommendations to the administration, if needed.

It is the opinion of the Chief Auditor that the internal control procedures related to the operations of the parking lot revenues need to be strengthened. For the period reviewed, there were no checks and balances over the parking lot operations and no segregation of duties. The Operations Specialist IV was assigned to receive, count, reconcile and deposit cash, and monitor all transactions. The department's minimal written procedures for the receipting of cash collections were not followed. There was no management oversight of the parking lot operations. In addition, none of the daily Revenue By Day reports furnished by Global, which provided real time information on the amount of monies collected and/or removed from the pay stations, were being reviewed by the Operations Specialist IV, the staff of the Treasurer's Office, or the Director of the Facility Planning and Real Estate Department.

Our audit verified for the 2015-16 fiscal year, that \$14,500 in cash collections was not deposited into the bank or posted to the General Ledger Parking Lot Revenue account. In addition, we identified that \$43,103.55 in cash collections had not been deposited to the bank or posted to the General Ledger Parking Lot Revenue account for the 10 month period from November 5, 2014 through September 1, 2015.

We also noted that non-parking lot revenues were co-mingled in the General Ledger Parking Lot Revenue account, for items such as fingerprinting fees and monthly parking garage space rentals. Also, credit card merchant fees were not posted to an expense account; rather, they were recorded in the General Ledger Parking Lot Revenue account as a reduction of revenues. The incorrect revenues posted to the General Ledger Parking Lot Revenue account overstated the revenues of the parking lot operations. In addition, the recording of credit card merchant fees within the General Ledger Parking Lot Revenue account understated the actual revenues of the parking lot operations. Lastly, we noted that sales tax was not paid on any of the parking lot revenues collected. The District should review Florida Statutes 212.03(6) Tax on Sales, Use, and Other Transactions, which addresses renting space for motor vehicles in parking lots.

The details of these missing funds were discussed with the Chief of the District's SIU Department. At the request of Mr. Runcie, this audit investigation was presented to the United States Department of Education's Office of Inspector General, who provided us with a contact person from the Broward Sheriff's Office (BSO). There is an ongoing investigation being performed by the BSO as of the date of this report.

We would like to thank the Treasurer's Office, the Department of Facility Planning and Real Estate, Global Parking USA, the City of Fort Lauderdale and all District personnel who aided in the completion of this report.

This report will be presented to the Audit Committee at its November 16, 2017 meeting and will be presented to the School Board at its December 5, 2017 meeting.

Sincerely,



Patrick Reilly, CPA
Chief Auditor
Office of the Chief Auditor

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Executive Summary

Objectives, Scope and Methodology

The Office of the Chief Auditor performed an audit investigation based upon a request from Mr. Robert W. Runcie, Superintendent, who had been advised by Ms. Leslie Brown, Chief Portfolio Services Officer, that a discrepancy had been found in the collection of revenues from the District's two Global Metro MKS parking meter stations (hereinafter called pay stations). We were advised that at the time of renewing the contract with the City of Fort Lauderdale, which was presented and approved by the School Board on June 13, 2017, an Executive Summary was prepared that noted for fiscal year 2015-16, the District reported \$178,864 in net revenues, according to the General Ledger Parking Lot Revenue account. The parking lot operations were handled by the Facility Planning and Real Estate Department. The Director of the Facility Planning and Real Estate Department requested that the Treasurer's Office reconcile the General Ledger Parking Lot Revenue account. At the time of the preparation of the Executive Summary for the renewal of the parking lot contract, the Treasurer's Office attempted to reconcile the General Ledger net revenue amount of \$178,864 with the Global Parking Solutions, USA's (hereinafter called Global) Revenue Summary Report from the two pay stations. The Treasurer's Office discovered a difference between cash collections reported on the Global Revenue Summary Report and the General Ledger Parking Lot Revenue account for fiscal year 2015-16 in the amount of \$14,500. The reported \$14,500 in missing cash collections had not been deposited to the bank, and represents only a two-month period for July and August 2015. Beginning September 1, 2015, cash was no longer accepted as a payment method. The two pay stations were re-programmed to accept credit cards only.

After confirming that cash collections were missing for the 2015-16 fiscal year, we expanded our audit to include the 2014-15 fiscal year. The 2014-15 fiscal year was the initial year of implementation of the contract with the City of Fort Lauderdale using the two new pay stations, installed in November 2014. We discovered that \$43,103.55 in cash collections had not been deposited to the bank for the entire 10 month period between November 5, 2014 and September 1, 2015. For this 10 month period where cash was collected, only six deposits totaling \$13,690.30 were made at the Bank of America into the District's main operating account. We audited credit card sales related to the parking lot revenues and did not note any discrepancies. Upon request for all parking related documentation from District staff, we were told that all documentation was missing, such as deposit slips, bank records, Global's EziCom revenue reports and pay station cash removal receipts from Global.

Our audit objectives were:

- to determine whether the allegation of missing funds was substantiated;
- to determine compliance with the Facility Planning and Real Estate Department's Guide and Procedural Manual for Receiving Cash from the Parking Lot;
- to determine if internal control procedures were in place and being followed; and
- to report recommendations to the administration, if needed.

Our audit was conducted in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. The aforementioned standards require that we plan and perform the audit to ensure a reasonable basis for our judgments and conclusions regarding the function under audit. An audit includes assessments of applicable controls and compliance with the requirements of laws, rules and regulations when necessary to satisfy the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

It is our responsibility to perform the review under generally accepted auditing standards and Government Auditing Standards, as well as provide recommendations to improve operations, strengthen internal controls and ensure compliance with the requirements of laws, rules and regulations in matters selected for review. It is the administration's responsibility to implement recommendations, to maintain an internal control environment conducive to the safeguarding of District assets and to preserve the District's resources, and to comply with applicable laws, regulations and School Board policies.

The procedures used to satisfy our objectives in this audit were:

- to review the parking lot contract between the District and the City of Fort Lauderdale;
- to review all Global's reports that provided information regarding daily sales, annual sales, cash removal and other pertinent reports available for audit;
- to review SAP General Ledger Parking Lot Revenue account for parking fees, General Ledger account activity reports, Treasurer's Daily Cash Reconciliation reports and bank and credit card merchant statements;
- to test the accuracy of the information provided by Global for cash and credit sales with bank deposits and District's General Ledger information;
- to review emails pertaining to parking lot operations;
- to review the Facility Planning and Real Estate Department's Guide and Procedural Manual for Receiving Cash from the Parking Lot;
- to interview appropriate School Board management, former School Board employees, vendors and City of Fort Lauderdale management and pay station maintenance staff;
- to reconcile General Ledger postings, bank deposits, and Global's Cash Removal Audit report for the period under audit;
- to collaborate with the District's SIU Department, United States Department of Education's Office of Inspector General and the Broward Sheriff's Office (BSO) regarding the allegations.

BACKGROUND

On July 22, 2014, the School Board of Broward County approved a 3 year contract with the City of Fort Lauderdale for the surface parking lot adjacent to the KCW Building. The contract essentially provided the District all revenues from the two pay stations and the City of Fort Lauderdale received all revenues from its parking citations/tickets. The District pays the City of Fort Lauderdale an annual maintenance fee of \$540 for maintaining the two pay stations. The District also pays the City of Fort Lauderdale an annual data collection fee in the amount of \$1,080, which the City of Fort Lauderdale

pays to Global for data collected from the two pay stations. The City of Fort Lauderdale is responsible for providing documentation to the District for all parking transactions. Global has provided very comprehensive electronic data to the District to monitor the revenues being collected from the two pay stations. Global uses a central communications and management system called EziCom, which is a remote monitoring program in real time. A variety of reports are available to District staff, such as the Revenue By Day Report and the Cash Removal Report. In addition, Global sends daily emails to appropriate District staff showing sales activity for cash and credit sales. The contract states that SBBC shall keep in its possession the only keys to the revenue compartment of the two pay stations.

The original Parking Lot agreement between the District and the City of Fort Lauderdale approved by the School Board on July 22, 2014 and the renewed agreement approved by the School Board on June 13, 2017 stated that the District shall collect and retain all revenue from the pay stations at the site. Also, at a minimum, SBBC shall document and itemize the method of payment/amount (i.e. cash, credit/debit card) paid by patrons. The City of Fort Lauderdale's revenues were strictly from the citations/tickets issued by the City of Fort Lauderdale from enforcing parking requirements from patrons on the site. The City of Fort Lauderdale reported that between July 22, 2014 and July 27, 2016, it had issued a total of \$112,661 in citations/tickets and of the \$112,661 cited, they had received payment of \$74,365. The Facility Planning and Real Estate Department has been assigned to manage the parking lot activity for the District. This task was assigned to the Operations Specialist IV, who was responsible for collecting the money, depositing the money and monitoring all parking operations.

On November 5, 2014, the two pay stations began operating and were programmed to receive coins, currency and credit cards. After ten months of operating the parking lot activities, the District requested that Global re-program the two pay stations to eliminate the acceptance of coins and currency. Duct tape was used to cover coin and currency slots on each pay station. Beginning on September 1, 2015, the pay stations only accepted credit cards. The Operations Specialist IV stated that the elimination of cash collections was due to the former SIU Chief of Police requesting that his staff not be used to remove cash from the pay stations. We contacted the former SIU Chief of Police, who denied making such a statement. In fact, he stated that he was not aware that his staff was even included in the cash collecting from the pay stations. He emphasized that he never made any statements regarding parking lot cash collections or operations related to parking lot revenues. We noted that an email was sent from the Operations Specialist IV to Global requesting the change to reconfigure the pay stations to accept credit cards only, rather than a request from the Director of the Facility Planning and Real Estate Department. In addition, the Director was not copied on the email.

Opinion, Summary of Results and Recommendations

It is the opinion of the Chief Auditor that the internal control procedures related to the operations of the parking lot revenues need to be strengthened. For the period reviewed, there were no checks and balances over the parking lot operations and no segregation of duties. The Operations Specialist IV was assigned to receive, count, reconcile and deposit cash, and monitor all transactions. The department's minimal written procedures for the receipting of cash collections were not followed. There was no management oversight of the parking lot operations. In addition, none of the daily Revenue By Day reports furnished by Global, which provided real time information on the amount of monies collected and/or removed from the pay stations, were being reviewed by the Operations

Specialist IV, the staff of the Treasurer's Office, or the Director of the Facility Planning and Real Estate Department.

Our audit verified for the 2015-16 fiscal year, that \$14,500 in cash collections was not deposited into the bank or posted to the General Ledger Parking Lot Revenue account. We identified that \$43,103.55 in cash collections had not been deposited to the bank or posted to the General Ledger Parking Lot Revenue account for the entire 10 month period from November 5, 2014 through September 1, 2015. As mentioned above, there were only six deposits totaling \$13,690.30 made into the District's Bank of America account during the 10 month period by the Operations Specialist IV (see Exhibit B, page 14); however, during a preliminary discussion, the Operations Specialist IV stated that 1 to 2 deposits were made each week. In addition, the Operations Specialist IV stated she had no explanation regarding the missing funds.

During an interview regarding cash collections from the parking lot operation, the Security Specialist stated that cash was being deposited into the Bright Star Credit Union located in the KCW building. He stated that he escorted the Operations Specialist IV to the Bright Star Credit Union several times. The District does not have any accounts with the Bright Star Credit Union. The District's accounts are with Bank of America. We determined that the Bright Star Credit Union offers the service of processing transactions for other credit union accounts held by individuals. We noted that the Operations Specialist IV had accounts with two other credit unions. We question why deposits were being made at the Bright Star Credit Union, when the District's account is with Bank of America.

We also noted that non-parking lot revenues were co-mingled in the General Ledger Parking Lot Revenue account, for items such as fingerprinting fees and monthly parking garage space rentals. Also, credit card merchant fees were not posted to an expense account; rather, they were recorded in the General Ledger Parking Lot Revenue account as a reduction of revenues. The incorrect revenues posted to the General Ledger Parking Lot Revenue account overstated the revenues of the parking lot operations. In addition, the recording of credit card merchant fees within the General Ledger Parking Lot Revenue account understated the actual revenues of the parking lot operations.

Upon request for all parking lot related documentation from District staff, we were told that all documentation was missing, such as deposit slips, bank records, and Global's EziCom revenue reports and pay station cash removal receipts.

The details of these missing funds were discussed with the Chief of the District's SIU Department. At the request of Mr. Runcie, this audit investigation was presented to the United States Department of Education's Office of Inspector General, who provided us with a contact person from the Broward Sheriff's Office (BSO). There is an ongoing investigation being performed by the BSO as of the date of this report.

Recommendations

We recommend the following to ensure that the parking lot revenues are properly safeguarded and internal controls are consistently in place to properly manage the operations of the parking lot activities:

1. Although cash collections were terminated as of September 1, 2015, any future cash collections from other activities should be remitted to the Treasurer's Office. For security reasons, District staff should never transport cash to the bank. The District has the services of the Treasurer's Office and armored car service vendors to handle the transporting of monies.
2. We recommend that there be segregation of duties over cash collection procedures. No individual should be assigned to receive, count, reconcile, deposit cash and monitor the General Ledger Parking Lot Revenue account.
3. On a monthly basis, the credit card sales should be reconciled to the Revenue By Day reports, General Ledger Parking Lot Revenue account, bank and credit card merchant statements.
4. The General Ledger Parking Lot Revenue account should include only parking lot revenues, not non-parking lot revenues, such as fingerprinting and leasing of garage parking spaces. Revenues from other sources should not be included in the parking fees account, as this inflates the parking fees account and understates the fingerprinting and leasing account revenues. In addition, the credit card merchant fees should be in a separate General Ledger expense account, in order to properly match revenues with expenditures for this activity.
5. Global's daily Revenue By Day Reports, sent by email, should be reviewed by the Operations Specialist IV, and reviewed and signed by the Director of the Facility Planning and Real Estate Department for monitoring purposes.
6. The Treasurer's Office should finalize the Business Practice Bulletin for cash collections entitled Collection of Monies – Departments Only in order to provide District staff a process for handling cash collections for departments throughout the District.
7. Efforts should be made to ensure that all records are maintained and safeguarded for audit purposes.
8. The District should review Florida Statutes 212.03(6) Tax on Sales, Use, and Other Transactions, which addresses renting space for motor vehicles in parking lots.
9. Pursue recovery of missing cash that is under investigation by the Broward Sheriff's Office.

We would like to thank the Treasurer's Office, the Department of Facility Planning and Real Estate, Global Parking USA, the City of Fort Lauderdale and all District personnel who aided in the completion of this report.

Submitted by:
Patrick Reilly, CPA
Chief Auditor
Office of the Chief Auditor

SECTION I
OBSERVATIONS

An Investigative Audit Identified Missing Cash Collections Totaling \$43,103.55 from Parking Lot Revenues for the 10 month period from November 5, 2014 through September 1, 2015

Observations

During the 10 month period where cash was accepted as a form of payment for parking, a total of \$56,793.85 in cash was removed from the two pay stations; (see Exhibit A) however, of the \$56,793.85, only six deposits were made totaling \$13,690.30, resulting in missing cash collections of \$43,103.55 (see Exhibit B, page 14). Global provided very comprehensive data reports showing each date cash was removed, the time of removal, and the type of cash, (currency or coin) (see pages 15-20). Upon the removal of the currency and/or coin canisters, (see Exhibit C, page 21) the pay station provided a hard copy receipt showing the amount of money in the canisters. The Global report showed that cash was removed from the two pay stations 66 times during the 10 month period, yet only six deposits totaling \$13,690.30 were made to the bank during this time (see Exhibit B, page 14). During a preliminary discussion, the Operations Specialist IV stated that she made one (1) to two (2) deposits each week at Bank of America. In addition, the Operations Specialist IV stated she had no explanation regarding the missing funds.

One cash deposit of \$8,195 was made on June 5, 2015. A deposit of this amount indicates that money was held for a significant time period before being deposited. To further substantiate this conclusion, the previous cash deposit was made on May 8, 2015 in the amount of \$945.00. From May 9, 2015 through June 4, 2015, a total of \$6,249.95 was removed from the pay stations; therefore, it would have been impossible to have removed \$8,195 from the pay stations for that period of time (see Schedule B, page 13). We inquired with Bank of America regarding the \$8,195 deposit, but the bank was unable to furnish the denominations of currency deposited, such as singles, fives, tens, twenties, etc. In several instances, monies were held in excess of two months by the Operations Specialist IV, and all monies removed from the pay stations were not deposited. Also, when the Operations Specialist IV did make deposits, she transported cash collections, at her own discretion, to the bank, rather than using the services of the Treasurer's Office or armored car service vendors to handle the transporting of monies. We audited credit card sales related to the parking lot revenues and did not note any discrepancies. Below are additional weaknesses identified with the parking lot operation:

1. There was no segregation of duties over cash collection procedures. The Operations Specialist IV was allowed to receive, count, reconcile and deposit cash, as well as monitor the General Ledger Parking Lot Revenue account.
2. The cash and credit card sales were not reconciled to the Global Revenue By Day reports, General Ledger Parking Lot Revenue account, or to the bank and credit card merchant statements.
3. The General Ledger Parking Lot Revenue account included parking lot revenues, and some non-parking lot revenues, such as fingerprinting and leasing of garage parking spaces. Revenues from other sources were included in the General Ledger Parking Lot Revenue

account, consequently inflating the General Ledger Parking Lot Revenue account and understating the fingerprinting and leasing account revenues. These checks received for fingerprinting and parking garage leases were deposited into the General Ledger Parking Lot Revenue account, and thereby used to cover cash collections not deposited. In addition, the credit card fees were not posted to a separate General Ledger expense account, resulting in the failure to properly match revenues with expenditures for this activity.

4. Global's daily Revenue By Day Reports, sent by email, were not reviewed, signed or filed by the Director of the Facility Planning and Real Estate Department for monitoring purposes.
5. We noted that the Treasurer's Office never finalized the Business Practice Bulletin for cash collections entitled Collection of Monies – Departments Only in order to provide District staff a process for handling cash collections for departments throughout the District. This Bulletin was initiated in 2015.
6. Upon request for all parking lot related documentation from District staff, we were told that all documentation was missing, such as deposit slips, bank records, Global's EziCom revenue reports and pay station cash removal receipts.
7. We noted that sales tax was not paid on any of the parking revenues collected.

Background

On July 22, 2014, the School Board of Broward County approved a three (3) year contract with the City of Fort Lauderdale for the surface parking lot adjacent to the KCW Building. The contract essentially provided the District all revenues from the two pay stations and the City of Fort Lauderdale received all revenues from its parking citations/tickets. The District pays the City of Fort Lauderdale an annual data collection fee in the amount of \$1,080, which the City of Fort Lauderdale pays to Global for data collected from the two pay stations. The City of Fort Lauderdale is responsible for providing documentation to the District for all parking transactions. Global has provided very comprehensive electronic data to the District to monitor the revenues being collected from the two pay stations. Global uses a central communications and management system called EziCom which is a remote monitoring program in real time. A variety of reports are available to District staff such as the Revenue By Day Report and the Cash Removal Report. In addition, Global sends daily emails to appropriate District staff showing sales activity for cash and credit sales. The Operations Specialist IV stated that she did receive daily emails providing these reports. The contract states that SBBC shall keep in its possession the only keys to the revenue compartment of the two pay stations.

On November 5, 2014, the two pay stations began operating and were programmed to receive coins, currency and credit cards. After ten months of operating the parking lot activities, the District requested that Global re-program the two pay stations to eliminate the acceptance of coins and currency. Duct tape was used to cover coin and currency slots on the pay stations. Beginning on September 1, 2015, the pay stations only accepted credit cards. The Operations Specialist IV stated that the elimination of cash collections was due to the former SIU Chief of Police requesting that his staff not be used to remove cash from the pay stations. We contacted the former SIU Chief

of Police, who denied making such a statement. In fact, he stated that he was not aware that his staff was even included in the cash collecting from the pay stations. He emphasized that he never made any statements regarding parking lot cash collections or operations related to parking lot revenues. We noted that an email was sent from the Operations Specialist IV to Global requesting the change to reconfigure the pay stations to accept credit cards only, rather than a request from the Director of the Facility Planning and Real Estate Department. In addition, the Director was not copied on the email (see Exhibit D).

The Facility Planning and Real Estate Department had a Guide and Procedural Manual. Below is an excerpt from the Guide and Procedural Manual related to receiving cash from the parking lot:

“RECEIVING CASH FROM THE PARKING LOT:

Each Wednesday and Friday, KCW Security will empty the cash boxes in the 2 pay stations. The coin box will be emptied twice a month. Money will be brought to the Operations Specialist. The cash will be kept in the safe at all times between deposits.

1. Each day, run a copy of the Revenue report, which is delivered automatically to your email.
2. Once a week, total revenue for the week, make out a deposit slip, double count the deposit and bring to Bank of America for processing.
3. Staple the stamped deposit receipt, along with the weekly report to reconcile.”

We determined the above cash deposit procedures were not followed. As part of our audit procedures, we interviewed District staff who were involved with the cash deposit collection procedures, City of Fort Lauderdale and Global representatives.

Based on our conversations, below are the procedures that were stated to have been followed:

There were three individuals who mainly participated in the cash collection procedures for the parking lot revenues.

- *A Security Specialist routinely removed the currency and coin canisters from the two pay stations and delivered them to the Operations Specialist IV. Empty canisters would be placed in the pay station.*
- *A Manager II, who worked in the KCW building routinely accompanied the Security Specialist for security during the removal of the canisters from the pay stations.*
- *The Operations Specialist IV handled the receipting of the canisters, the counting of the cash and prepared deposits for the bank.*

Routinely, the Operations Specialist IV would contact the Security Specialist to empty the pay stations. The Security Specialist would use a yellow key to open the pay station, remove the black canister, which held currency. (Often, the coin canister was not removed along with the currency canister.) Often, the coin canister would be emptied on a monthly basis. The Manager II would accompany the Security Specialist for security reasons while the currency/coin canisters were being removed (see Exhibit C, page 21).

When the Security Specialist removed the currency/coin canisters, a receipt identifying the amount of money in each canister would print out of the machine. The Security Specialist would put the

receipt in the canister by rolling it up and sliding it into a small opening in the canister. He did not have access to the key to open the canisters. The Operations Specialist IV was the only person with the keys to open the canisters.

Routinely, the Security Specialist and the Manager II brought the canister or canisters (coin or currency) to the 8th floor and gave them to the Operations Specialist IV. She would open the canisters and count the money. The Security Specialist would take the empty canisters and place them under the security desk on the first floor for the next time. There was no documentation or receipting process when the canisters were handed over to the Operations Specialist IV. She would either count the money or place the money in the safe and then return the empty canister to the Security Specialist or the Manager II. The Security Specialist and Manager II stated that they would face the monitoring camera in the hallway to show that the canisters were empty before leaving the 8th floor. The Operations Specialist IV would count money, prepare a bank deposit slip and take the cash deposit to Bank of America. She would send an email to the Treasurer's Office to advise them of the amount of the cash deposit. The Treasurer's Office would then record the parking lot revenues in the General Ledger Parking Lot Revenue account upon completion of the Treasurer's Daily Cash Reconciliation reports. The Operations Specialist IV received a Revenue Report daily from Global and filed the deposit slips in a notebook, which she maintained; she was responsible for all parking lot records.

We noted the Operations Specialist IV was very inconsistent on depositing money into the Bank of America. She did not make at least one deposit per week as instructed in the Guide and Procedural Manual. During an interview regarding cash collections from the parking lot operation, the Security Specialist stated that cash was being deposited into the Bright Star Credit Union located in the KCW building. He stated that he escorted the Operations Specialist IV to the Bright Star Credit Union several times. The District does not have any accounts with the Bright Star Credit Union. The District's accounts are with Bank of America. We determined that the Bright Star Credit Union offers the service of processing transactions for other credit union accounts held by individuals. We noted that the Operations Specialist IV had accounts with two other credit unions. We question why deposits were being made at the Bright Star Credit Union, when the District's account is with Bank of America.

We noted pay stations were not emptied on a timely basis. The pay stations were often jammed with too much currency and/or coins, resulting in a loss of revenue because patrons could not pay with currency or coins until the pay stations were emptied. Typically, Global had to call to arrange for District staff to empty the pay stations and replace the canisters.

Both Security personnel who emptied the pay stations stated that they did not have keys to the canisters and that the canisters were brought to the Operations Specialist IV unopened. They stated that she was the only person who had the keys to open the canisters. However, when speaking to another employee in the Facility Planning and Real Estate Department, who acted as the Operations Specialist IV's designee when she was absent, this employee stated that the two Security personnel brought cash to her to be placed in the safe, not unopened canisters. In addition, the Security Specialist stated that sometimes if the Operations Specialist IV was on the phone or

busy, he would take the key and open the canisters or assist her if the canisters were difficult to open because there was too much money stuffed in them.

Recommendations

We recommend the following to ensure that the parking lot revenues are properly safeguarded and internal controls are consistently in place to properly manage the operations of the parking lot activities:

1. Although cash collections were terminated as of September 1, 2015, any future cash collections from other activities should be remitted to the Treasurer's Office. For security reasons, District staff should never transport cash to the bank. The District has the services of the Treasurer's Office and armored car service vendors to handle the transporting of monies.
2. We recommend that there be segregation of duties over cash collection procedures. No individual should be assigned to receive, count, reconcile, deposit cash and monitor the General Ledger Parking Lot Revenue account.
3. On a monthly basis, the credit card sales should be reconciled to the Revenue By Day reports, General Ledger Parking Lot Revenue account, bank and credit card merchant statements.
4. The General Ledger Parking Lot Revenue account should include only parking lot revenues, not non-parking activities, such as fingerprinting and leasing of garage parking spaces. Revenues from other sources should not be included in the parking fees account, as this inflates the parking fees account and understates the fingerprinting and leasing account revenues. In addition, the credit card fees should be in a separate General Ledger expense account, in order to properly match revenues with expenditures for this activity.
5. Global's daily Revenue By Day Reports, sent by email, should be reviewed by the Operations Specialist IV, and reviewed and signed by the Director of the Facility Planning and Real Estate Department for monitoring purposes.
6. The Treasurer's Office should finalize the Business Practice Bulletin for cash collections entitled Collection of Monies – Departments Only in order to provide District staff a process for handling cash collections for departments throughout the District.
7. Efforts should be made to ensure that all records are maintained and safeguarded for audit purposes.
8. The District should review Florida Statutes 212.03(6) Tax on Sales, Use, and Other Transactions, which addresses renting space for motor vehicles in parking lots.
9. Pursue recovery of the \$43,103.55 in missing cash that is under investigation by the Broward Sheriff's Office.

Management Responses

Response to Recommendation No. 1 from the Director, Facility Planning and Real Estate Department: I agree with the above recommendation. However, the Facility Planning & Real Estate (FP&RE) Department does not collect cash in any of its current revenue transactions, and does not plan to do so in the future.

Response to Recommendation No. 2 from the Director, Facility Planning and Real Estate Department: The recommendation stated above will be codified in the FP&RE Department's procedural manual, adhered to, and implemented if circumstances warrant that the Department collects cash in transactions relating to revenue received from the KCW surface parking lot or any of its transactions. Additionally, as a component of the procedure, staff in the Department will coordinate with the Treasurer's Office to address/rectify any discrepancies discovered. However, please be advised that the Department does not currently collect cash in any of its current revenue transactions, and does not plan to do so in the future.

Response to Recommendation No. 3 from the Director, Facility Planning and Real Estate Department: The recommendation stated above will be codified in the FP&RE Department's procedural manual, adhered to, and implemented. Also, as a component of the procedure, staff in the Department will coordinate with the Treasurer's Office to address/rectify any discrepancies discovered.

Response to Recommendation No. 4 from the Director, Facility Planning and Real Estate Department: The recommendation stated above will be codified in the FP&RE Department's procedural manual, adhered to, and implemented. To this end, staff in the Department will work the District's Treasurer's Office to ensure that revenue received from the KCW surface parking lot is clearly delineated and separated from other revenues contained in the General Ledger.

Response to Recommendation No. 5 from the Director, Facility Planning and Real Estate Department: The FP&RE Department will henceforth implement the above recommendation and memorialize it in the Department's procedural manual. However, please note that the title of the Operations Specialist IV regarding this function has been officially changed to Office Manager I - Confidential. Thus, the bearer of this title and relating to this function will perform the pertinent duties contained in the recommendation.

Response to Recommendation No. 6 from the Treasurer's Office: Please be advised that Business Practice Bulletin A-514 entitled Collection of Monies – Departments Only was finalized and approved by a Cabinet Member in October 2015. We found it was inadvertently not posted to the ERP website, but is now posted as of today, October 5, 2017.

Response to Recommendation No. 7 from the Director, Facility Planning and Real Estate Department: The FP&RE Department will ensure to maintain and safeguard all records for audit purposes, and communicate to the District's Treasurer's Office to do the same as pertains to records relating to revenues received from the parking lot controlled by that Office.

Response to Recommendation No. 8 from the Director, Facility Planning and Real Estate Department: The FP&RE Department will review this statute and seek additional guidance (if any) from the School Board Office of the General Counsel. Please note that the Department is already working with the General Counsel regarding taxes due on revenue received from the District's rental of space for motor vehicle parking on District owned facilities.

SECTION II

EXHIBITS



Cash Removed from Pay Stations vs. Cash Deposited to Bank

Cash Removal Date per EZICOM Report	Per EZICOM Cash Removal Report BSB_0001 Coins	Per EZICOM Cash Removal Report BSB_0001 Currency	Per EZICOM Cash Removal Report BSB_0001 TOTAL	Per EZICOM Cash Removal Report BSB_0002 Coins	Per EZICOM Cash Removal Report BSB_0002 Currency	Per EZICOM Cash Removal Report BSB_0002 TOTAL	Per EZICOM Cash Removal Report Both Machines	Total Cash Removed from Pay Stations to Date	Cash Deposit Date	Cash Deposits Made to Bank	Undeposited/ Missing Cash
1	11/10/2014	\$352.00	\$365.10	\$13.10	\$365.10	\$365.10	\$365.10	\$365.10			
2	11/12/2014		\$0.00	\$3.25	\$594.00	\$597.25	\$597.25	\$597.25			
3	11/25/2014	\$1,101.00	\$1,134.15	\$56.50	\$978.00	\$1,034.50	\$2,168.65	\$2,168.65			
4	12/4/2014	\$322.00	\$345.80		\$359.00	\$359.00	\$704.80	\$3,835.80	12/10/2014	\$1,807.80	\$2,028.00
5	12/17/2014	\$1,021.00	\$1,059.15	\$49.90	\$1,012.00	\$1,061.90	\$2,121.05				
6	1/7/2015		\$60.25		\$714.00	\$714.00	\$774.25				
7	1/12/2015	\$887.00	\$887.00		\$319.00	\$319.00	\$1,206.00				
8	1/15/2015		\$0.00		\$308.00	\$308.00	\$308.00				
9	1/21/2015	\$611.00	\$611.00		\$591.00	\$591.00	\$1,202.00				
10	1/28/2015	\$509.00	\$509.00		\$523.00	\$523.00	\$1,032.00				
11	2/2/2015	\$291.00	\$291.00		\$459.00	\$459.00	\$750.00	\$7,393.30	2/3/2015	\$1,375.70	\$6,017.60
12	2/9/2015	\$559.00	\$559.00		\$533.00	\$533.00	\$1,092.00				
13	2/17/2015	\$539.00	\$539.00		\$557.00	\$557.00	\$1,096.00				
14	2/20/2015	\$420.00	\$420.00		\$538.00	\$538.00	\$958.00				
15	2/25/2015	\$306.00	\$625.35	\$448.95	\$355.00	\$803.95	\$1,429.30				
16	3/2/2015		\$481.00			\$0.00	\$481.00				
17	3/5/2015	\$515.00	\$515.00		\$601.00	\$601.00	\$1,116.00				
18	3/9/2015	\$296.00	\$296.00		\$456.00	\$456.00	\$752.00				
19	3/16/2015	\$595.00	\$595.00		\$630.00	\$630.00	\$1,225.00				
20	3/19/2015	\$390.00	\$390.00		\$436.00	\$436.00	\$826.00				
21	3/26/2015	\$544.00	\$544.00		\$594.00	\$594.00	\$1,138.00				
22	4/1/2015	\$524.00	\$804.65	\$337.75	\$535.00	\$872.75	\$1,677.40				
23	4/6/2015	\$280.00	\$280.00		\$402.00	\$402.00	\$682.00				
24	4/10/2015	\$521.00	\$521.00		\$554.00	\$554.00	\$1,075.00				
25	4/14/2015	\$548.00	\$548.00		\$201.00	\$201.00	\$749.00				
26	4/17/2015	\$567.00	\$567.00		\$0.00	\$0.00	\$567.00				
27	4/22/2015	\$364.00	\$364.00		\$572.00	\$572.00	\$936.00	\$15,799.70	4/24/2015	\$800.00	\$14,999.70
28	4/29/2015	\$558.00	\$892.45	\$276.00	\$469.00	\$745.00	\$1,637.45				
29	5/4/2015	\$588.00	\$588.00		\$639.00	\$639.00	\$1,227.00				
30	5/7/2015	\$375.00	\$375.00		\$547.00	\$547.00	\$922.00	\$3,786.45	5/8/2015	\$945.00	\$2,841.45
31	5/11/2015	\$355.00	\$355.00		\$519.00	\$519.00	\$874.00				
32	5/14/2015	\$295.00	\$295.00		\$399.00	\$399.00	\$694.00				
33	5/15/2015	\$181.95	\$376.95	\$201.45	\$197.00	\$398.45	\$775.40				
34	5/20/2015	\$403.00	\$403.00		\$443.00	\$443.00	\$846.00				
35	5/26/2015	\$466.00	\$466.00		\$438.00	\$438.00	\$904.00				
36	5/28/2015	\$261.00	\$261.00		\$0.00	\$0.00	\$261.00				
37	5/29/2015	\$118.95	\$118.95		\$168.60	\$168.60	\$287.55				
38	6/2/2015	\$543.00	\$543.00		\$0.00	\$0.00	\$543.00				
39	6/4/2015	\$378.00	\$378.00		\$687.00	\$687.00	\$1,065.00	\$6,249.95	6/5/2015	\$8,195.00	-\$1,945.05
40	6/9/2015	\$439.00	\$439.00		\$563.00	\$563.00	\$1,002.00				
41	6/16/2015	\$506.00	\$506.00		\$0.00	\$0.00	\$506.00				
42	6/18/2015				\$540.00	\$540.00	\$540.00				
43	6/22/2015	\$485.00	\$485.00		\$365.00	\$365.00	\$850.00				



Cash Removal Audit

Area: All
 Precinct: All
 Location: KCW Building
 Machine Id: All

Time Zone: US/Eastern
 Period Start: 2015-07-01 00:00
 Period End: 2016-07-01 00:00

Area	Location	Machine Id	Location Comment	Date	Tin No	Coins Amount	Notes Amount	Seq. No	Coin Tin Status
	KCW Building	BSB_0001-UE		2015-09-01 07:43		0.00	303.00	75	0 %
	KCW Building	BSB_0001-UE		2015-09-01 07:43		191.65	0.00	74	43 %
	KCW Building	BSB_0001-UE		2015-08-31 08:37		0.00	442.00	73	0 %
	KCW Building	BSB_0001-UE		2015-08-27 09:33		0.00	384.00	72	0 %
	KCW Building	BSB_0001-UE		2015-08-26 08:51		0.00	456.00	71	0 %
	KCW Building	BSB_0001-UE		2015-08-24 08:15		0.00	436.00	70	0 %
	KCW Building	BSB_0001-UE		2015-08-20 11:38		353.95	0.00	69	79 %
	KCW Building	BSB_0001-UE		2015-08-19 11:30		0.00	196.00	68	0 %
	KCW Building	BSB_0001-UE		2015-08-18 09:17		0.00	485.00	67	0 %
	KCW Building	BSB_0001-UE		2015-08-13 13:45		0.00	443.00	66	0 %
	KCW Building	BSB_0001-UE		2015-08-10 16:15		0.00	465.00	65	0 %
	KCW Building	BSB_0001-UE		2015-08-05 09:25		0.00	226.00	64	0 %
	KCW Building	BSB_0001-UE		2015-08-03 13:05		0.00	311.00	63	0 %
	KCW Building	BSB_0001-UE		2015-07-30 09:45		0.00	408.00	62	0 %
	KCW Building	BSB_0001-UE		2015-07-28 08:52		0.00	471.00	61	0 %
	KCW Building	BSB_0001-UE		2015-07-22 14:30		20.80	0.00	60	5 %
	KCW Building	BSB_0001-UE		2015-07-22 12:42		0.00	341.00	59	0 %
	KCW Building	BSB_0001-UE		2015-07-21 08:57		79.50	0.00	58	18 %
	KCW Building	BSB_0001-UE		2015-07-20 08:51		0.00	477.00	57	0 %
	KCW Building	BSB_0001-UE		2015-07-14 10:25		0.00	339.00	56	0 %
	KCW Building	BSB_0001-UE		2015-07-09 09:31		111.40	0.00	55	25 %
	KCW Building	BSB_0001-UE		2015-07-09 09:31		0.00	52.00	54	0 %

Area	Location	Machine Id	Location Comment	Date	Tin No	Coins Amount	Notes Amount	Seq. No	Coin Tin Status
	KCW Building	BSB_0001-UE		2015-07-07 08:57		0.00	368.00	53	0 %
	KCW Building	BSB_0001-UE		2015-07-01 13:06		0.00	248.00	52	0 %
Total:						757.30	6851.00		
	KCW Building	BSB_0002-UE		2015-09-01 07:40		0.00	135.00	28	0 %
	KCW Building	BSB_0002-UE		2015-08-31 08:29		0.00	586.00	27	0 %
	KCW Building	BSB_0002-UE		2015-08-20 11:37		416.85	0.00	26	93 %
	KCW Building	BSB_0002-UE		2015-08-19 11:33		0.00	238.00	25	0 %
	KCW Building	BSB_0002-UE		2015-08-18 09:24		0.00	290.00	24	0 %
	KCW Building	BSB_0002-UE		2015-08-13 13:51		0.00	412.00	23	0 %
	KCW Building	BSB_0002-UE		2015-08-10 16:19		0.00	482.00	22	0 %
	KCW Building	BSB_0002-UE		2015-08-05 09:23		0.00	201.00	21	0 %
	KCW Building	BSB_0002-UE		2015-08-03 13:02		0.00	604.00	20	0 %
	KCW Building	BSB_0002-UE		2015-07-28 08:50		0.00	552.00	19	0 %
	KCW Building	BSB_0002-UE		2015-07-22 14:27		28.95	0.00	18	6 %
	KCW Building	BSB_0002-UE		2015-07-22 12:45		0.00	515.00	17	0 %
	KCW Building	BSB_0002-UE		2015-07-21 08:55		434.25	0.00	16	96 %
	KCW Building	BSB_0002-UE		2015-07-20 09:12		0.00	581.00	15	0 %
	KCW Building	BSB_0002-UE		2015-07-14 10:23		0.00	477.00	14	0 %
	KCW Building	BSB_0002-UE		2015-07-09 09:27		0.00	442.00	13	0 %
	KCW Building	BSB_0002-UE		2015-07-07 08:55		0.00	469.00	12	0 %
	KCW Building	BSB_0002-UE		2015-07-01 13:05		0.00	385.00	11	0 %
Total:						880.05	6369.00		
Grand Total:	2 devices					1637.35	13220.00		

\$13,220.00 Currency
 \$1,637.35 Coin
 \$14,857.35 Sub-total
 \$41,936.50 See page 20
 \$56,793.85 See page 14

Cash Removal July 2015 - August 2015
 Cash Removal Nov. 2014 - June 2015
 Total Cash Removed for 10 Month Period



EziCom2

Cash Removal Audit

Area: All
 Precinct: All
 Location: KCW Building
 Machine Id: All
 Time Zone: US/Eastern
 Period Start: 2014-11-05 00:00
 Period End: 2015-07-01 00:00

Area	Location	Machine Id	Location Comment	Date	Tin No	Coins Amount	Notes Amount	Seq. No	Coin Tin Status
	KCW Building	BSB_0001-UE		2015-06-29 11:55		0.00	268.00	51	0 %
	KCW Building	BSB_0001-UE		2015-06-25 09:40		221.40	0.00	50	49 %
	KCW Building	BSB_0001-UE		2015-06-25 09:40		0.00	156.00	49	0 %
	KCW Building	BSB_0001-UE		2015-06-22 10:36		0.00	485.00	48	0 %
	KCW Building	BSB_0001-UE		2015-06-16 11:38		0.00	506.00	47	0 %
	KCW Building	BSB_0001-UE		2015-06-09 13:18		0.00	439.00	46	0 %
	KCW Building	BSB_0001-UE		2015-06-04 08:59		0.00	378.00	45	0 %
	KCW Building	BSB_0001-UE		2015-06-02 08:17		0.00	543.00	44	0 %
	KCW Building	BSB_0001-UE		2015-05-29 10:59		118.95	0.00	43	26 %
	KCW Building	BSB_0001-UE		2015-05-28 08:52		0.00	261.00	42	0 %
	KCW Building	BSB_0001-UE		2015-05-26 09:04		0.00	466.00	41	0 %
	KCW Building	BSB_0001-UE		2015-05-20 09:40		0.00	403.00	40	0 %
	KCW Building	BSB_0001-UE		2015-05-15 13:35		181.95	0.00	39	40 %
	KCW Building	BSB_0001-UE		2015-05-15 12:05		0.00	195.00	38	0 %
	KCW Building	BSB_0001-UE		2015-05-14 08:46		0.00	295.00	37	0 %
	KCW Building	BSB_0001-UE		2015-05-11 11:28		0.00	355.00	36	0 %
	KCW Building	BSB_0001-UE		2015-05-07 09:07		0.00	375.00	35	0 %
	KCW Building	BSB_0001-UE		2015-05-04 09:22		0.00	588.00	34	0 %
	KCW Building	BSB_0001-UE		2015-04-29 10:24		334.45	0.00	33	74 %
	KCW Building	BSB_0001-UE		2015-04-29 08:43		0.00	558.00	32	0 %
	KCW Building	BSB_0001-UE		2015-04-22 10:30		0.00	364.00	31	0 %
	KCW Building	BSB_0001-UE		2015-04-17 10:16		0.00	567.00	30	0 %

Area	Location	Machine Id	Location Comment	Date	Tin No	Coins Amount	Notes Amount	Seq. No	Coin Tin Status
	KCW Building	BSB_0001-UE		2015-04-14 12:15		0.00	548.00	29	0 %
	KCW Building	BSB_0001-UE		2015-04-10 08:11		0.00	521.00	28	0 %
	KCW Building	BSB_0001-UE		2015-04-06 09:04		0.00	280.00	27	0 %
	KCW Building	BSB_0001-UE		2015-04-01 08:42		280.65	0.00	26	62 %
	KCW Building	BSB_0001-UE		2015-04-01 08:41		0.00	524.00	25	0 %
	KCW Building	BSB_0001-UE		2015-03-26 09:25		0.00	544.00	24	0 %
	KCW Building	BSB_0001-UE		2015-03-19 13:22		0.00	390.00	23	0 %
	KCW Building	BSB_0001-UE		2015-03-16 10:26		0.00	595.00	22	0 %
	KCW Building	BSB_0001-UE		2015-03-09 12:01		0.00	296.00	21	0 %
	KCW Building	BSB_0001-UE		2015-03-05 08:45		0.00	515.00	20	0 %
	KCW Building	BSB_0001-UE		2015-03-02 10:42		0.00	481.00	19	0 %
	KCW Building	BSB_0001-UE		2015-02-25 10:07		319.35	0.00	18	71 %
	KCW Building	BSB_0001-UE		2015-02-25 09:50		0.00	306.00	17	0 %
	KCW Building	BSB_0001-UE		2015-02-20 10:45		0.00	420.00	16	0 %
	KCW Building	BSB_0001-UE		2015-02-17 08:38		0.00	539.00	15	0 %
	KCW Building	BSB_0001-UE		2015-02-09 10:08		0.00	559.00	14	0 %
	KCW Building	BSB_0001-UE		2015-02-02 09:55		0.00	291.00	13	0 %
	KCW Building	BSB_0001-UE		2015-01-28 09:17		0.00	509.00	12	0 %
	KCW Building	BSB_0001-UE		2015-01-21 15:53		0.00	611.00	11	0 %
	KCW Building	BSB_0001-UE		2015-01-12 10:23		0.00	887.00	10	0 %
	KCW Building	BSB_0001-UE		2015-01-07 10:24		60.25	0.00	9	13 %
	KCW Building	BSB_0001-UE		2014-12-17 16:07		0.00	1021.00	8	0 %
	KCW Building	BSB_0001-UE		2014-12-17 16:07		38.15	0.00	7	8 %
	KCW Building	BSB_0001-UE		2014-12-04 12:25		0.00	322.00	6	0 %
	KCW Building	BSB_0001-UE		2014-12-04 12:24		23.80	0.00	5	5 %
	KCW Building	BSB_0001-UE		2014-11-25 10:43		0.00	1101.00	4	0 %
	KCW Building	BSB_0001-UE		2014-11-25 10:43		33.15	0.00	3	7 %
	KCW Building	BSB_0001-UE		2014-11-10 16:23		13.10	0.00	2	3 %
	KCW Building	BSB_0001-UE		2014-11-10 16:23		0.00	352.00	1	0 %
						1625.20	18814.00		
Total:									
	KCW Building	BSB_0002-UE		2015-06-29 11:54		0.00	357.00	10	0 %
	KCW Building	BSB_0002-UE		2015-06-25 09:43		394.90	0.00	9	88 %
	KCW Building	BSB_0002-UE		2015-06-25 09:43		0.00	576.00	8	0 %
	KCW Building	BSB_0002-UE		2015-06-22 10:31		0.00	365.00	7	0 %
	KCW Building	BSB_0002-UE		2015-06-18 10:51		0.00	540.00	6	0 %

Exhibit B

Area	Location	Machine Id	Location Comment	Date	Tin No	Coins Amount	Notes Amount	Seq. No	Coin Tin Status
	KCW Building	BSB_0002-UE		2015-06-09 13:30		0.00	563.00	5	0 %
	KCW Building	BSB_0002-UE		2015-06-04 09:15		0.00	687.00	4	0 %
	KCW Building	BSB_0002-UE		2015-05-29 10:57		168.60	0.00	3	37 %
	KCW Building	BSB_0002-UE		2015-05-26 09:07		0.00	438.00	2	0 %
	KCW Building	BSB_0002-UE		2015-05-20 09:33		0.00	443.00	1	0 %
	KCW Building	BSB_0002-UE		2015-05-15 13:31		201.45	0.00	37	45 %
	KCW Building	BSB_0002-UE		2015-05-15 12:03		0.00	197.00	36	0 %
	KCW Building	BSB_0002-UE		2015-05-14 08:44		0.00	399.00	35	0 %
	KCW Building	BSB_0002-UE		2015-05-11 11:26		0.00	519.00	34	0 %
	KCW Building	BSB_0002-UE		2015-05-07 09:02		0.00	547.00	33	0 %
	KCW Building	BSB_0002-UE		2015-05-04 09:18		0.00	639.00	32	0 %
	KCW Building	BSB_0002-UE		2015-04-29 10:22		276.00	0.00	31	61 %
	KCW Building	BSB_0002-UE		2015-04-29 08:40		0.00	469.00	30	0 %
	KCW Building	BSB_0002-UE		2015-04-22 10:22		0.00	572.00	29	0 %
	KCW Building	BSB_0002-UE		2015-04-14 12:13		0.00	201.00	28	0 %
	KCW Building	BSB_0002-UE		2015-04-10 08:09		0.00	554.00	27	0 %
	KCW Building	BSB_0002-UE		2015-04-06 08:59		0.00	402.00	26	0 %
	KCW Building	BSB_0002-UE		2015-04-01 08:37		337.75	0.00	25	75 %
	KCW Building	BSB_0002-UE		2015-04-01 08:36		0.00	535.00	24	0 %
	KCW Building	BSB_0002-UE		2015-03-26 09:30		0.00	594.00	23	0 %
	KCW Building	BSB_0002-UE		2015-03-19 13:25		0.00	436.00	22	0 %
	KCW Building	BSB_0002-UE		2015-03-16 10:22		0.00	630.00	21	0 %
	KCW Building	BSB_0002-UE		2015-03-09 11:58		0.00	456.00	20	0 %
	KCW Building	BSB_0002-UE		2015-03-05 08:48		0.00	601.00	19	0 %
	KCW Building	BSB_0002-UE		2015-02-25 10:10		448.95	0.00	18	100 %
	KCW Building	BSB_0002-UE		2015-02-25 09:58		0.00	355.00	17	0 %
	KCW Building	BSB_0002-UE		2015-02-20 10:47		0.00	538.00	16	0 %
	KCW Building	BSB_0002-UE		2015-02-17 08:36		0.00	557.00	15	0 %
	KCW Building	BSB_0002-UE		2015-02-09 10:12		0.00	533.00	14	0 %
	KCW Building	BSB_0002-UE		2015-02-02 09:59		0.00	459.00	13	0 %
	KCW Building	BSB_0002-UE		2015-01-28 09:21		0.00	523.00	12	0 %
	KCW Building	BSB_0002-UE		2015-01-21 15:51		0.00	591.00	11	0 %
	KCW Building	BSB_0002-UE		2015-01-15 08:59		0.00	308.00	10	0 %
	KCW Building	BSB_0002-UE		2015-01-12 10:20		0.00	319.00	9	0 %
	KCW Building	BSB_0002-UE		2015-01-07 11:01		0.00	714.00	8	0 %
	KCW Building	BSB_0002-UE		2014-12-17 15:56		0.00	1012.00	7	0 %

Exhibit B

Area	Location	Machine Id	Location Comment	Date	Tin No	Coins Amount	Notes Amount	Seq. No	Coin Tin Status
	KCW Building	BSB_0002-UE		2014-12-17 15:44		49.90	0.00	6	11 %
	KCW Building	BSB_0002-UE		2014-12-04 12:21		0.00	359.00	5	0 %
	KCW Building	BSB_0002-UE		2014-11-25 10:39		0.00	978.00	4	0 %
	KCW Building	BSB_0002-UE		2014-11-25 10:39		56.50	0.00	3	13 %
	KCW Building	BSB_0002-UE		2014-11-12 15:51		3.25	0.00	2	1 %
	KCW Building	BSB_0002-UE		2014-11-12 15:50		0.00	594.00	1	0 %
Total:						1937.30	19560.00		
Grand Total:	2 devices					3562.50	38374.00		

Total:

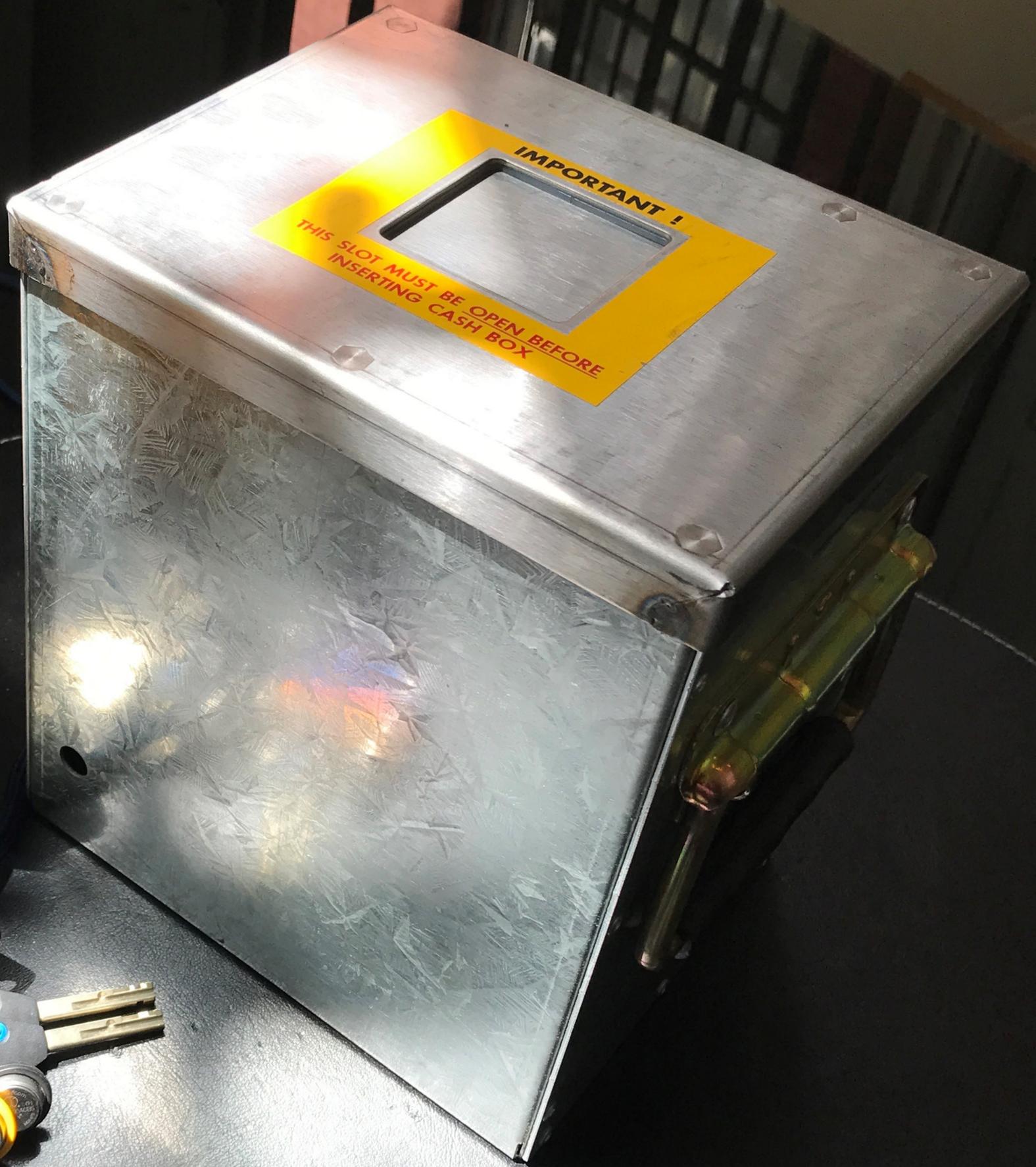
Grand Total:

2 devices

\$38,374.00 Currency
 3,562.50 Coin
 \$41,936.50 Total (See page 16)

Per Cash Removal Audit Report
November 2014 - June 2015



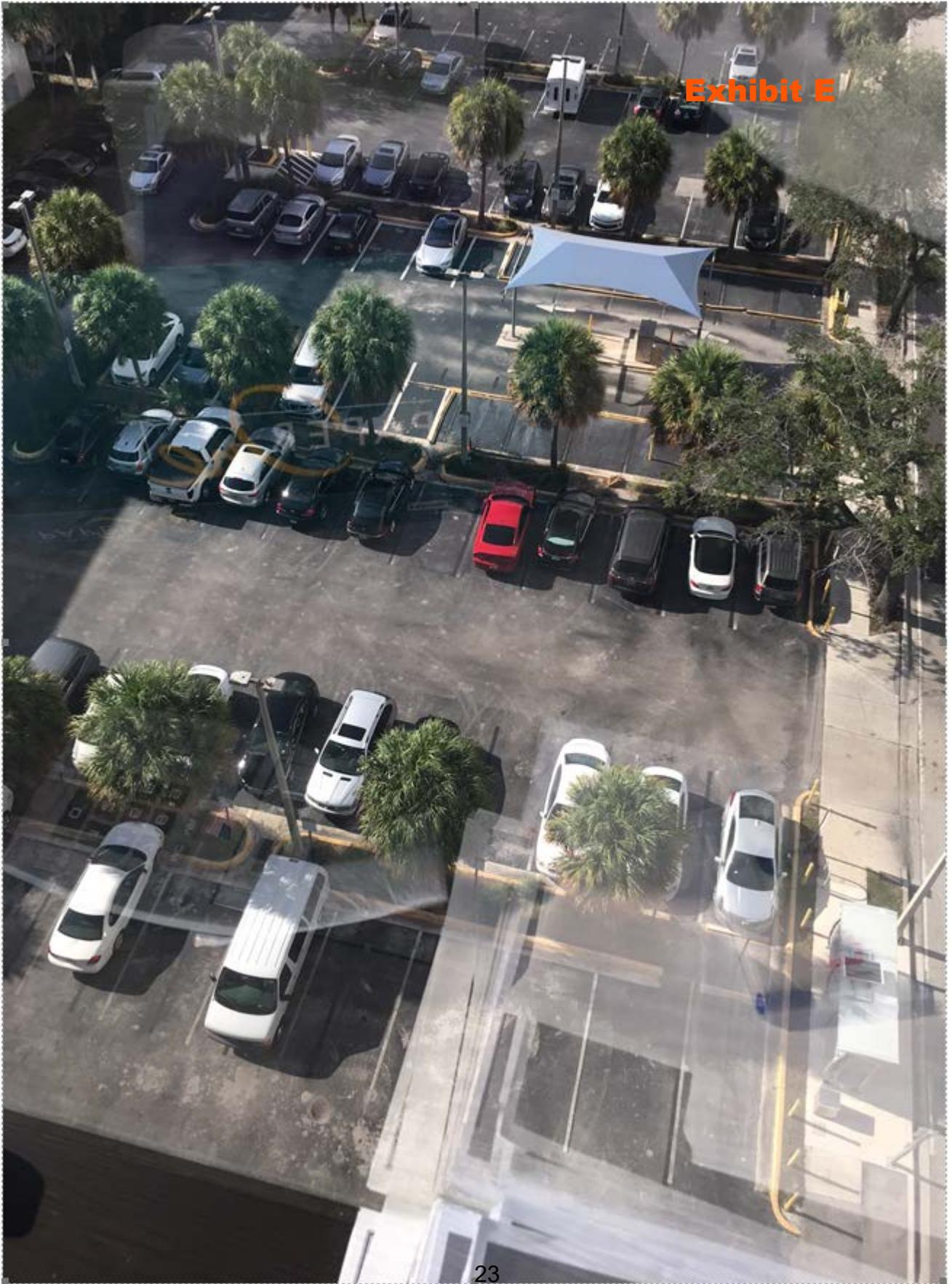


From: [REDACTED]
Sent: Monday, May 18, 2015 9:49 AM
To: Michael Kavur
Cc: <pswale@globalparkingusa.com>; Jerry D. Archie; Israel Canales
Subject: Re: Ezicom login details

Good morning,
We would like to have credit card only on our 2 paystations eff July 1st. How is the progress coming along?

[REDACTED] Operations Specialist IV
Facility Planning & Real Estate
The School Board of Broward County, FL
600 SE 3rd Avenue, 8th Fl
Fort Lauderdale, FL 33301
Ph: (754) 321-2164

Exhibit E



SECTION III

FULL TEXT OF MANAGEMENT'S RESPONSES

Patrick Reilly

From: Christopher O. Akagbosu
Sent: Tuesday, October 3, 2017 3:34 PM
To: Patrick Reilly
Cc: Patricia McLaughlin - Audits; Pastora Young
Subject: Response to Audit Recommendations - Revenue from Kathleen C. Wright (KCW) Surface Parking Lot

Pat:

Please see my responses below regarding the above referenced subject.

Although cash collections were terminated as of September 1, 2015, any future cash collections from other activities should be remitted to the Treasurer's Office. For security reasons, District staff should never transport cash to the bank. The District has the services of the Treasurer's Office and armored car service vendors to handle the transporting of monies.

Response: I agree with the above recommendation. However, the Facility Planning & Real Estate (FP&RE) Department does not collect cash in any of its current revenue transactions, and does not plan to do so in the future.

We recommend that there be segregation of duties over cash collection procedures. No individual should be assigned to receive, count, reconcile, deposit cash and monitor the General Ledger Parking Lot Revenue account.

Response: The recommendation stated above will be codified in the FP&RE Department's procedural manual, adhered to, and implemented if circumstances warrant that the Department collects cash in transactions relating to revenue received from the KCW surface parking lot or any of its transactions. Additionally, as a component of the procedure, staff in the Department will coordinate with the Treasurer's Office to address/rectify any discrepancies discovered. However, please be advised that the Department does not currently collect cash in any of its current revenue transactions, and does not plan to do so in the future.

On a monthly basis, the credit card sales should be reconciled to the Revenue By Day reports, General Ledger Parking Lot Revenue account, bank and credit card merchant statements.

Response: The recommendation stated above will be codified in the FP&RE Department's procedural manual, adhered to, and implemented. Also, as a component of the procedure, staff in the Department will coordinate with the Treasurer's Office to address/rectify any discrepancies discovered.

The General Ledger Parking Lot Revenue account should include only parking lot revenues, not non-parking activities, such as fingerprinting and leasing of garage parking spaces. Revenues from other sources should not be included in the parking fees account, as this inflates the parking fees account and understates the fingerprinting and leasing account revenues. In addition, the credit card fees should be in a separate General Ledger expense account, in order to properly match revenues with expenditures for this activity.

Response: The recommendation stated above will be codified in the FP&RE Department's procedural manual, adhered to, and implemented. To this end, staff in the Department will work the District's Treasurer's Office to ensure that revenue received from the KCW surface parking lot is clearly delineated and separated from other revenues contained in the General Ledger.

Global's daily Revenue By Day Reports, sent by email, should be reviewed by the Operations Specialist IV, and reviewed and signed by the Director of the Facility Planning and Real Estate Department for monitoring purposes.

Response: The FP&RE Department will henceforth implement the above recommendation and memorialize it in the Department's procedural manual. However, please note that the title of the Operations Specialist IV regarding this function has been officially changed to Office Manager I - Confidential. Thus, the bearer of this title and relating to this function will perform the pertinent duties contained in the recommendation.

Efforts should be made to ensure that all records are maintained and safeguarded for audit purposes.

Response: The FP&RE Department will ensure to maintain and safeguard all records for audit purposes, and communicate to the District's Treasurer's Office to do the same as pertains to records relating to revenues received from the parking lot controlled by that Office.

The District should review Florida Statutes 212.03(6) Tax on Sales, Use, and Other Transactions, which addresses renting space for motor vehicles in parking lots.

Response: The FP&RE Department will review this statute and seek additional guidance (if any) from the School Board Office of the General Counsel. Please note that the Department is already working with the General Counsel regarding taxes due on revenue received from the District's rental of space for motor vehicle parking on District owned facilities.

Chris Akagbosu
Director, Facility Planning and Real Estate Department

Broward County Public Schools
600 S.E. Third Avenue
Fort Lauderdale, FL 33301
P: (754) 321-2162
F: (754) 321-2179
chris.akagbosu@browardschools.com

Dedicated to results, we want to hear from you. Please click on link below for our customer survey.
<https://docs.google.com/forms/d/155roCamUOKTfeNtstWfrXQvsaEuO3awYdCY1uS6XWxg/viewform>



Educating Today's Students to
Succeed in Tomorrow's World

Under Florida law, e-mail addresses, and all forms of communications, including e-mail communications, made or received in connection with the transaction of School Board business are public records, which must be retained as required by law and must be disclosed upon receipt of a public records request, except as may be excluded by federal or state laws. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone.

The School Board of Broward County, Florida expressly prohibits bullying, including cyberbullying, by or towards any student or employee. See Policy 5.9: Anti-Bullying for additional information.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
TREASURER'S OFFICE

Ivan Perrone
Treasurer

Telephone: 754-321-1980

Facsimile: 754-321-1981

October 5, 2017

TO: Patrick Reilly
Chief Auditor

FROM: Ivan Perrone
Treasurer

SUBJECT: PARKING REVENUES AUDIT RECOMMENDATION RESPONSE

Please be advised that Business Practice Bulletin A-514 entitled Collection of Monies – Departments Only was finalized and approved by a Cabinet Member in October 2015. We found It was inadvertently not posted to the ERP website. This has been handled and I have been told it should be posted today, October 5, 2017.

Thank you.

IP/pt

cc: Judith Marte, Chief Financial Officer