



**DONALD C. SPENCER**  
CLERK OF THE CIRCUIT COURT & COMPTROLLER  
SANTA ROSA COUNTY, FLORIDA

Clerk of the Circuit Court & Comptroller  
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December 20, 2018

Donald C. Spencer, Clerk of the Circuit Court and Comptroller  
Santa Rosa County  
6495 Caroline Street Suite A  
Milton, Florida 32570

Dan Schebler, County Administrator  
Santa Rosa County  
6495 Caroline St, Suite D  
Milton, Florida 32570

**Re: Follow up to Review of Landfill Scale House Cash Controls**

Gentlemen:

This report constitutes a follow up to our review of internal controls over financial operations at the County's landfill scale house in Milton this past spring. The professional standards adopted by this department require that we perform follow up procedures to audit assignments.

As you will recall our report, published on May 14, 2018, identified internal control weaknesses over how the county assessed, collected and reported cash collections from patrons using the landfill.

As part of our procedures, we made inquiries to Ron Hixon, Environmental Manager and met with Kelly Hobbs, Environmental Superintendent to discuss the status of the findings and corrective actions. We examined reports of void receipts and staged tickets for sign of management's review and approval.

We are pleased to report that control weaknesses identified in our original report have been adequately addressed. The attached schedule itemizes the findings as well as management's actions taken.

We would be pleased to discuss this report with you at your convenience.

Respectfully,

Samuel S. Scallan, Internal Auditor  
Santa Rosa County Clerk of Courts

**CC:** Mark Murry, Assistant County Administrator  
Michael Burton, Finance Director  
Bob Miller, Assistant Finance Director  
Ron Hixon, Environmental Manager  
Kelly Hobbs, Environmental Superintendent



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**Follow Up Report on Audit of Santa Rosa County Land Fill Scale House  
Schedule of Findings and Corrective Action**

Issue 1 Recommendation for armored car service

After internal discussion with Risk Management department Environmental Department management did not think an armored car service was necessary, however two additional employees responsible for handing cash will be bonded.

Issue 2 Prepayments on account received at the scale house are not receipted

On October 1<sup>st</sup> the County implemented a new resolution regulating Landfill fee charges and Pre-Paid accounts. As of October 1<sup>st</sup>, Pre-Paid Account payments are no longer accepted at the scale house.

Issue 3 Recommendation to remove void receipt capability from management staff handling cash

Other than scale house employees who cannot void a receipt, there are only three primary employees handling cash. Removing the ability to void a receipt from these employees puts an undue hardship on those responsible for daily balancing of cash. As a compensating control, a weekly report of voided receipts is generated. It is reviewed and approved by management staff who are independent of the daily cash routine.

Issue 4 Restrict the ability to set up and modify user rights by key employees

The office has created a form that is signed by upper management when any rights of key employees are changed.

Issue 5 Remove the ability to void a staged ticket by scale house employees

Scale house workers still have the right to void staged tickets. Management presented numerous reasons why this is necessary for operations in the scale house. As a compensating control a void staged ticket report is generated weekly showing all voided staged tickets for that week. The report shows the operator that generated the stage void ticket, the operator that deleted the stage void ticket, and the reason why the stage void ticket was deleted. This report is reviewed and signed by upper management each week.

Issue 6 The need for a full review of user rights and roles

Management has reviewed and modified the user rights and roles in PC Scales as it relates to how they use the software.