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*Clerk of the County Court | Recorder of Deeds | Clerk and Accountant of the Board of County Commissioners
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REPORT NO. 2025-12

TO: Kelli Hammer Levy, Director
Public Works Department

FROM: Melissa Dondero, Inspector General/Chief Audit Executive *md*
Division of Inspector General

DIST: Ken Burke, CPA, Clerk of the Circuit Court and Comptroller
Jeanette Staveley, Chief Deputy Director, Finance Division
The Honorable Chair and Members of the Board of County Commissioners
Barry Burton, County Administrator
Jill Silverboard, Deputy County Administrator/Chief of Staff
Melanie Weed, Director, Environmental Management Division
Anamarie Rivera, Environmental Program Manager, Environmental Management Division

SUBJECT: Unannounced Audit of the Environmental Management Division Change Fund

DATE: July 8, 2025

This memo serves to inform you that the Division of Inspector General completed an unannounced audit of the Environmental Management Division's Change Fund on June 16, 2025.

The objective of our audit was to reconcile the Change Fund and ascertain that the appropriate internal controls, safeguards, and policies and procedures were being followed, safeguarding the County funds under your departmental control.

Our audit was conducted in accordance with the *Global Internal Audit Standards* of The Institute of Internal Auditors and the *Principles and Standards for Offices of Inspector General* of the Association of Inspectors General. Accordingly, it included such tests of records and other auditing procedures as we considered necessary in the circumstances.

Based on our independent and objective assessment, the department's governance, risk management, and internal control environment is effective for the scope of this audit. Governance, risk management, and/or internal controls are operating effectively and consistently applied to support the achievement of objectives in the area audited. We identified areas of strength where controls are strong and aligned with the department's

goals. However, we also identified an area of improvement to mitigate risks and enhance efficiency.

Opportunities for Improvement (OFI) are prioritized based on the likelihood of the risk occurring and the impact the risk may have on the department’s governance, risk management, and/or control processes as follows:

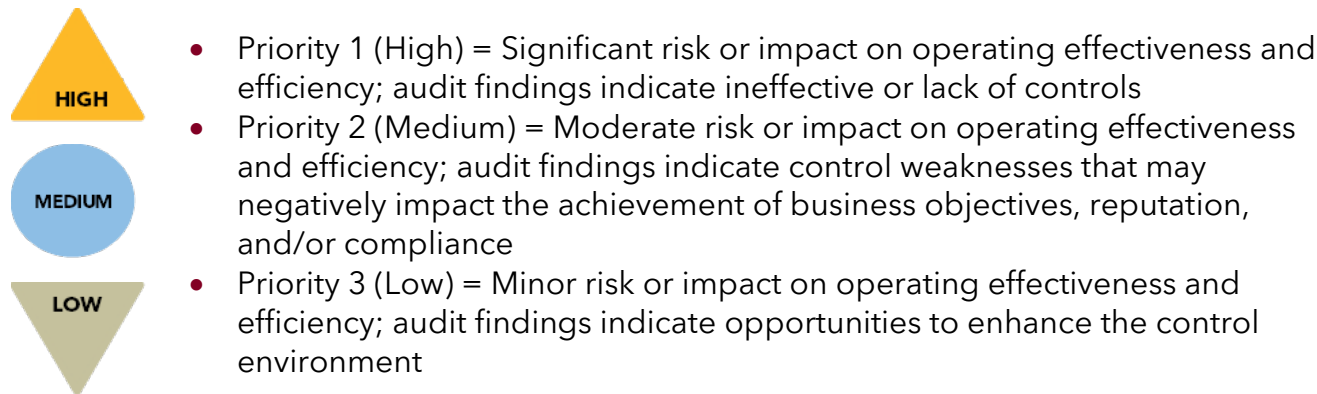


Figure 1 - Priorities

Our audit was neither designed nor intended to be a detailed study of every relevant system, procedure, or transaction. Accordingly, the OFI presented as follows may not be all-inclusive of areas where improvement may be needed.

Management Has An Opportunity To Reassess The Necessity Of The Change Fund.



During our unannounced audit of the Environmental Management Division’s Change Fund on June 16, 2025, we discovered the division had an opportunity to reassess the need for its Change Fund. The Environmental Management Division had an approved Change Fund balance of \$100. During our unannounced audit, we reconciled the Change Fund with the primary custodian and verified the division’s internal controls surrounding the fund.

The division used the Change Fund exclusively to facilitate cash transactions for in-person courses offered to landscaping companies operating within Pinellas County (County). Chapter 58, Article XIII, Section 58-481 of the County’s Municipal Code required the Landscape Best Management Practices course for those doing work in the lawn and landscape maintenance industry. The County offered online and in-person payment options for the course fee. The most recent course was provided on June 4, 2025.

During the unannounced audit, the primary custodian stated that, effective July 1, 2025, the County ordinance would no longer apply, eliminating the course requirement. The course would remain available online and in person at no cost to the participant. With the elimination of the course fee, the Change Fund would become obsolete on July 1, 2025. The primary custodian was aware of this transition and expected to collaborate with the County Finance Division on or after July 1, 2025, to dissolve the fund.

The Finance Division Petty Cash and Change Fund Policy and Procedures manual states the following:

"When there is no longer a need for a change fund, the Department Director shall submit a 'REQUEST FOR PETTY CASH/CHANGE FUND' form to the Chief Deputy Director of the Finance Division explaining the reason for closing the fund. The request and the total cash in the fund should be turned in to the cashier in the Finance Division. The final deposit should be made in the usual manner."

Staff time to count, balance, and document the Change Fund reconciliation incurs costs for funds the department is no longer using. Maintaining cash funds also increases the risk of improper use or misappropriation.

We determined this OFI's priority was low, as operational efficiency could be improved; however, this was an isolated instance.

We Recommend Management:

Consider the necessity of the Change Fund. If management determines the Change Fund is no longer necessary, it should submit a "REQUEST FOR PETTY CASH/CHANGE FUND" form to the Chief Deputy Director of the Finance Division explaining the reason for closing the fund. The request and the total cash in the fund should be submitted to the cashier in the Finance Division. The final deposit should be made in the usual manner.

Management Response and Action Plan:

Management Concurs.

- ✓ **Individual(s) Responsible for Implementation:** Anamarie Rivera, Environmental Program Manager 3, Public Works/Division of Environmental Management
- ✓ **Planned Implementation Completion Date:** July 3, 2025

We appreciate your staff's cooperation during this audit.

MD/SP/CS