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Clerk of the Circuit Court and County Comptroller

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The Honorable Chair and Members
of the Board of County Commissioners

Background

The Clerk of the Circuit Court and County Comptroller's Internal Audit Department and Office of Inspector General (IAD/OIG) completed an investigation of alleged fraud that involved a former temporary employee assigned to the Sarasota County Area Transit (SCAT) Downtown Transfer Station (DTTS). The investigation was initiated to determine if the temporary employee committed theft in violation of Florida Statute Chapter 812.014, Petit Theft (\$100-\$300). The investigation was planned and conducted in accordance with *the Principles and Standards for Offices of Inspector General* for the purpose of ascertaining whether or not the allegation could be substantiated.

On February 23, 2017, the IAD/OIG received information regarding three separate instances wherein the SCAT DTTS supporting documentation did not match their respective cash deposit amounts. In these instances, the yellow copies annotated the amounts of \$50, \$30, and \$30; however, the manual receipt log indicated amounts of \$30, \$15, and \$15. The manual receipt log agreed with the amount deposited at the bank, however, it was \$50 less in total than the yellow receipt copies indicated, resulting in a \$50 discrepancy.

On February 24, 2017, the temporary employee was removed from the cash handling position after the determination was made that she had not received the cash management training, as required by the County. Subsequently, on February 26, 2017, a customer informed the SCAT dispatch line to report she paid \$50 for a Full Fare ticket, however, the ticket machine verified it was instead a Half Fare Thirty Day bus pass of which she did not intend to purchase.

Investigative Procedures

IAD/OIG procedures included an unannounced cash count, training record reviews, inventories of bus passes, witness interviews, surveillance, and the examination and accounting of bus passes sold during the temporary employee's period of employment. County invoice reviews assisted to help determine the temporary employee's first day of work, January 19, 2017. Additionally, the daily manual receipt documentation was analyzed and aided in the detection of missing bus pass numbers as well as missing receipt numbers.

IAD/OIG determined that seventy-six bus passes were unaccounted for (Note: not recorded as sold or in the inventory) and the total value of the bus passes totaled \$3,480. IAD/OIG also noted that two of the bus passes were displayed as voided in the sales records, however, the ticket usage report indicated that one of those passes was used in February sixteen times and the other pass was used seventeen times. IAD/OIG reviewed receipts and noted that three sequential numbers were missing. Receipt numbers before and after the missing receipt numbers were

recorded on the daily manual receipt log for February 3, 2017. IAD/OIG obtained the receipt book and discovered there were unaccounted for along with the pink receipts which are to be retained in the book.

The customer provided her receipt, dated February 24, 2017, \$50 for "30 Day 77856" and was marked with initials matching those of the temporary employee. The yellow receipt had the same date and ticket information, although it showed a \$25 transaction in the name of the customer. The bus pass number referenced on the receipt "77856" corresponded with that of a Thirty Day Half Fare bus passes (Half Fare bus passes begin with the number "7" whereas Full Fare Bus passes start with "9").

A November 2016 through February 2017 trend analysis of bus passes sold by month and type. Further, three types of bus passes were offered as a Full Fare or Half Fare (Thirty Day, Seven Day, and Thirty Day Regional). For all 3 types of passes, the analysis indicated an increase in Half Fare bus passes being recorded as sold and a decrease in the number of Full Fare bus passes recorded as sold during the January 2017 - February 2017 time-frame.

Conclusion

Based on investigative procedures performed, it was determined that criminal activity may have occurred. Due to the possibility of the potential criminal activity the case was referred to Sarasota Police Department for further investigative action.

Respectfully submitted,



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Senior Internal Auditor/Investigator



David Beirau, CFE, CIG, CIGA, CIGI
Director of Internal Audit and Inspector General

Approved:



Karen E. Rushing
Clerk of the Circuit Court and County Comptroller

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