

OFFICE OF THE INDEPENDENT ADVOCATE
MIAMI-DADE COUNTY COMMISSION ON ETHICS & PUBLIC TRUST
REPORT OF INVESTIGATION

K #: 08-026 Donna Lowe - Petty Cash Account

Date Opened: 03/07/2008

Date Closed: 03/11/2008

Name of investigator: Christina M. Topley Arthur D. Skinner
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Allegation:

The COE received an anonymous call on the hotline. The caller alleged there were improprieties in the petty cash fund at the Miami Dade County Extension Institute of Food and Services Senior Executive Secretary Donna Lowe allegedly receives checks for "petty cash" and deposits them in some unknown account. No one seems to know where the petty cash money disappears to according to the caller.

Section 2-11.1 of the Code of Miami-Dade County, the County's Conflict of Interest and Code of Ethics Ordinance. (g) Exploitation of official position prohibited. No person included in the terms defined in Subsections (b)(1) through (6) shall use or attempt to use his official position to secure special privileges or exemptions for himself or others except as may be specifically permitted by other ordinances and resolutions previously ordained or adopted or hereafter to be ordained or adopted by the Board of County Commissioners.

Investigation:

On Monday, March 10, 2008, COE Auditor Christina Topley accompanied Investigator Arthur Skinner, to meet with Donna Lowe, Senior Executive Secretary at the Miami-Dade County Extension Institute of Food & Agricultural Sciences (the agency), which is located at 18710 S.W. 288 Street, Homestead, Florida. It should be noted that Investigator Skinner did not schedule an appointment with Ms. Lowe, but

made an unannounced visit to her work location as part of a common audit practice when performing a petty cash count.

For informational purposes, the agency is a division of Miami-Dade County's Consumer Services Department. Ms. Lowe directly reports to Mr. Donald W. Pybas, County Extension Director. One of Ms. Lowe's job responsibilities is to administer a \$500 petty cash fund and serve as the sole custodian of this fund.

Both Investigator Skinner and Auditor Topley discussed the procedures that Ms. Lowe follows when handling the petty cash funds. Based on inquiry of Ms. Lowe, the following information was obtained prior to the COE auditor performing an independent petty cash count, which was witnessed by both Investigator Skinner and Ms. Lowe:

The agency's petty cash fund has never been audited.

There are no written policies and/or procedures for administering the petty cash fund. However, Ms. Lowe stated that reimbursement requests that are greater than \$100 would not be paid from the petty cash fund. Such reimbursements would be reimbursed by the Miami-Dade County Finance Department's Accounts Payable Division.

Common items reimbursed from the petty cash fund include office supplies, paper goods, fish food for the aquarium near the agency's learning center, parking, tolls, etc.

The petty cash box does not have a lock and is maintained in an unlocked filing cabinet drawer in Ms. Lowe's office.

Ms. Lowe documents the petty cash reconciliation she performs prior to making a request to replenish the petty cash box.

Copies of all receipts which support petty cash reimbursements and reconciliation are maintained in a folder by Ms. Lowe and each receipt is signed by the individual who receives the cash reimbursement.

The petty cash fund is replenished once a year via a Miami-Dade County check voucher, which is approved by Mr. Bobby Flevaris, Personnel & Administrative Services Manager, Consumer Services Department.

After gathering this preliminary information, Auditor Topley performed an independent reconciliation of the current petty cash receipts on hand, which totaled \$504.72. Investigator Skinner performed the cash count of the contents in the petty cash box, which Ms. Lowe and Auditor Topley observed. It is noted that the petty cash box had no cash, but did have loose coins which totaled \$3.46. Therefore, the total petty cash fund account balance as of March 10, 2008 was \$508.18.

Because this petty cash fund is imprest for \$500 and the cash count tallied more than the required fund total by \$8.18, (i.e., \$508.18 less \$500), Investigator Skinner inquired of Ms. Lowe as to what would cause an overage in the petty cash account. Ms. Lowe stated that when the actual cash on hand in the petty cash box is not sufficient to reimburse an employee, Ms. Lowe uses her own personal funds to reimburse the employee. Ms. Lowe further stated that when the petty cash fund account is replenished, she would repay herself the amount she gave to the employee(s) reimbursed from her personal monies.

As a side note, Ms. Lowe did not document the amounts she would personally loan to the petty cash fund; therefore, the COE auditor could not calculate the exact amount of money owed back to Ms. Lowe as a result of her loaning monies to the petty cash fund.

CONCLUSION:

Based on review of the petty cash and supporting documents, the COE auditor concludes that none of the petty cash funds were misappropriated Ms. Lowe or any other employee of the Miami-Dade County Extension Institute of Food & Agricultural Sciences.

After the petty cash count was performed and the COE concluded its inquiry, it was recommended to Mr. Donald W. Pybas, the County Extension Director, and Ms. Lowe to keep the petty cash in a locked box and also lock the petty cash box inside a locked filing cabinet. Also, Investigator Skinner advised that Ms. Lowe should not use her own personal funds to reimburse agency staff for petty cash expenditures. Petty cash funds on hand should be kept sufficient to meet the needs of the agency when legitimate business- related receipts are presented to Ms. Lowe for reimbursement.