



Wakulla County Board of County Commissioners Internal Audit Refundable Customer Deposits Follow-up Review

March 2026

The Internal Audit Department (IA) completed a review of refundable customer deposits for the Parks and Facilities Department (Parks) in June 2023. This report is a follow-up to that review. The cash handling procedures for the Wakulla County (County) owned boat ramps are also being reviewed.

The objective of this review is to determine if the recommendations from the June 2023 review have been implemented. Additionally, this review determines whether proper controls are in place for the County's boat ramp fees cash collection.

The table below lists the prior review's recommendations and if they have been implemented. Changes do not need to be implemented exactly as recommended. Recommendations are suggestions on how to address the issues that were identified. Correcting those issues identified is the goal. Recommendations are considered not fully implemented if changes have not been made to resolve those issues.

	Recommendation	Fully Implemented	Not Fully Implemented	Not Implemented
1	Clean up the liability account by reviewing the outstanding deposits of \$4,045 and submit refund or transfer requests to Finance.		X	
2	When there are multiple events, list only the last event date in the event date column. Add details of other dates to a new column for event date notes.		X	
3	Do not add anything other than the date to the columns containing a date.		X	
4	If a refund is issued to someone other than the person listed in the 'Name' column on the spreadsheet, record the payee's name in a new column titled 'Refunded To.'		X	
5	Have the person checking the disbursement request (DR) double check the information against the spreadsheet details to have a second check on the refund name, receipt number, date, and amount.		X	
6	Make a separate tab for boat slip deposits so they are shown in multiple fiscal years.	X		
7	Ensure each event date is included, enabling a check on any customers who may need refunds or have forfeited a deposit.		X	
8	Establish clearer refund policies.	X		

During the first review, 61 outstanding refundable deposits were identified. The follow-up found that four of those were still outstanding. These four still require a refund if eligible or a transfer to revenue if they

forfeited the deposit. Although most issues were resolved, all refundable deposits need to be addressed. Additional cases of refundable deposits being left in the liability account were found during the follow-up. These also need to be cleaned up. Details were provided to Parks and the Clerk of the Court Finance Department (Finance).

Recommendations 2, 3, and 7 are all interconnected and were not fully implemented. Though a column was added to the spreadsheet for additional details as recommended, there were 17 reservations in fiscal year 2024-2025 (FY2425) that were either blank or had information other than just a date in the space. Fiscal year 2023-2024 (FY2324) had 13 reservations that were blank or had information other than just one date included in the space. Having a single date in the event date column is essential to sort in Excel to ensure deposits are refunded after the event.

Recommendation 4 was not fully implemented. A column was added to the spreadsheet for whom the deposit was refunded to, as recommended, but it was not consistently used. There were a number of refunds in the accounting system, MIP, that did not match the name on Parks' refundable deposit list. Because of this, it appears recommendation 5 was not fully implemented. Parks has indicated they have implemented the process of a second person comparing the DR and the spreadsheet information but there are still issues of the spreadsheet not matching MIP. For this reason, it is marked as not fully implemented.

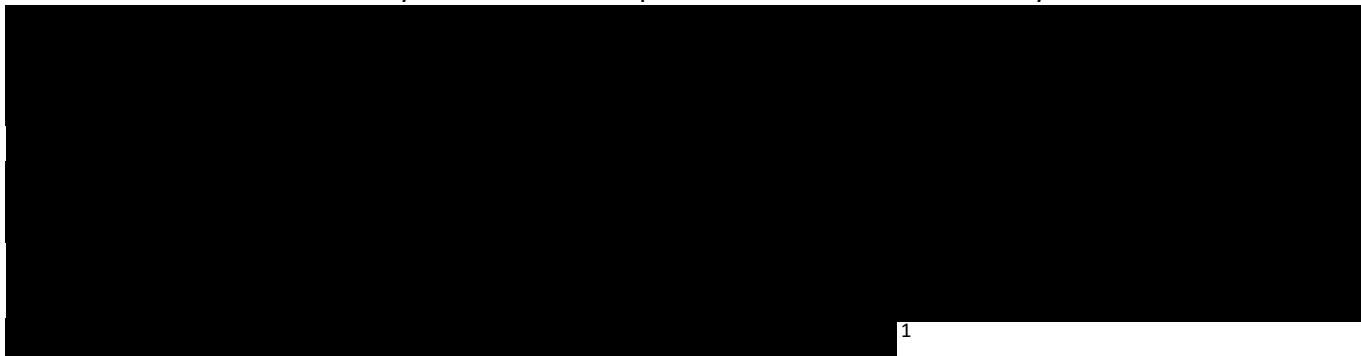
Observations

To complete the review of refundable park deposits, all entries into and out of MIP under the object code for refundable customer deposits were matched up by IA. This is how the four from the first review were identified as still outstanding. New issues of deposits that should have been refunded or transferred to revenue were identified. With the four from the prior audit outstanding, there were a total of 79 issues related to entries in MIP that need to be addressed by Parks and/or Finance.

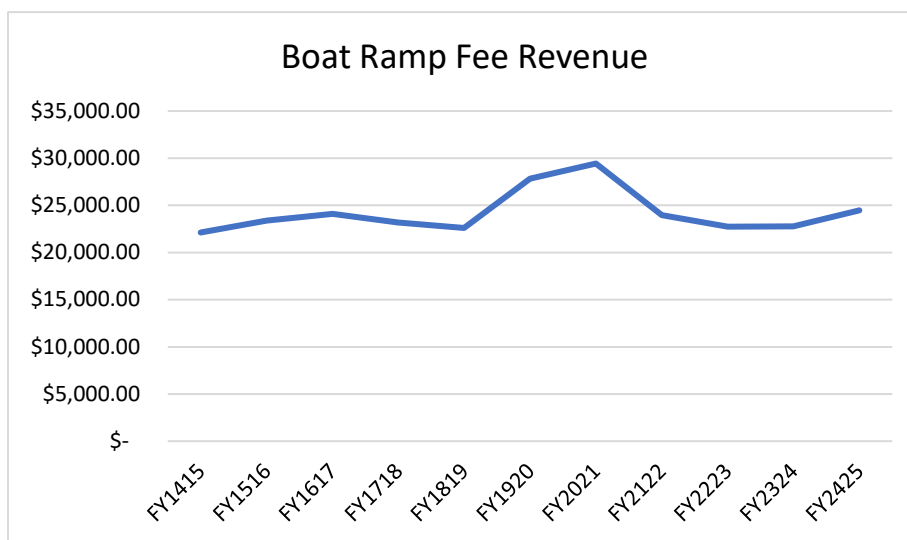
Parks has recently switched to an online reservation system called CivicPlus. This system allows the customer to choose to receive a credit towards a future reservation rather than receive a refund. The review found that there are a number of individuals that have long outstanding credits that were moved from refundable deposits to revenue. The issue with this situation is that the revenue is considered unearned at this point because if the customer decides not to make a new reservation the money would be owed back to the customer.

Additionally, the state requires customer credits to be refunded or if the customer is unreachable, submitted to the state as unclaimed property. The customer is then able to request the funds submitted to unclaimed property directly from the state. Florida Statute (FS) 717.113 states, "all intangible property held for the owner by any court, government or governmental subdivision or agency, public corporation, or public authority that has not been claimed by the owner for more than 1 year after it became payable or distributable is presumed unclaimed." FS 717.101(18) defines intangible property to include credit balances, customer overpayments, and security deposits. Based on reports run from the CivicPlus system, there may be some credits that need to be submitted to unclaimed property during the next reporting period.

The cash handling process for the collection of the boat ramp fees was also reviewed. The County has honor boxes located at County owned boat ramps for cash and a credit card system called Park Mobile.



To determine the amount of cash received at the boat ramps, IA reviewed the FY2425 cash receipts (CR) entered into MIP. Not including journal vouchers, which moved recorded funds from one general ledger account to another, 80% of the revenue for the boat ramp fees was cash. The remaining 20% was received as credit card payments. The total from the CRs for the boat ramp fees was \$21,010 for the year, with another \$3,460 coming from journal vouchers. The chart below shows the revenue has been fairly consistent for the past ten years, with a slight spike during the height of the COVID-19 pandemic. Even during the spike, the revenue remained under \$30,000. The fee charged to boaters did not change in that timeframe. The consistent revenue means there are no red flags of fraud during this period.



During the process of reviewing the CRs for the boat ramp fees, IA noted two unrelated issues. The first issue was sales tax was not being properly calculated on the CR form. When the sales tax rate changed in January of 2023, the formula on the Excel form was changed. The cost of the sales tax is included in the charge to customers for all Park fees that require sales tax. This requires the sales tax to be calculated after the fact. The formula was changed to simply multiply the amount charged by the sales tax rate and subtract that amount from the sale price. For example, \$100 times 7.5% equals \$7.50, minus that from the \$100 and it shows revenue as \$92.50. For a payment of \$100, the sales tax should be \$6.98 with

¹ Parts of this report have been reacted pursuant to Florida Statute 119.071 due to findings and recommendations involving physical security.

revenue of \$93.02. When you multiply \$93.02 by the sales tax of 7.5%, you get \$6.98. Because of the miscalculation, the revenue total used to file sales tax reports with the Florida Department of Revenue (DOR) was less than it should have been, resulting in sales tax being underpaid to DOR for these transactions. To complete the DOR sales tax report, revenue reports were run from MIP by Finance. The excess amount in the sales tax liability account in MIP that was accumulated due to this error was transferred to miscellaneous revenue at the end of the fiscal year. Miscellaneous revenue was appropriately excluded from the sales tax report.

However, due to other errors, DOR was actually overpaid for this time period. These errors included not reducing revenue by the refunds paid to customers, revenue being double counted, and journal entries being entered after the DOR reports were submitted. Additionally, beginning in June 2025 the total payment amount on the CRs, which includes sales tax, was used for the reports rather than revenue shown in MIP. This resulted in over reporting revenue as a whole.

The tables below break down the total tax that was overpaid and the total revenue that was over reported to DOR. Negative numbers represent the revenue and sales tax being over reported/paid to DOR. The total overpaid is just under \$6,000. The revenue amount over reported was just over \$65,000. This covers the period between January 2023 and December 2025. Note, Newport Campgrounds is filed separately from the other parks because of tourist development tax (TDT) so it is shown separately below.

Sales Tax and TDT Over/Under Paid by Year

	Parks Other Than Newport Sales Tax Over/Underpaid	Newport Sales Tax Over/Underpaid	Newport TDT Over/Underpaid
FY2223*	(207.24)	(146.33)	(78.04)
FY2324	111.55	(51.55)	(27.49)
FY2425	(669.54)	(1,120.25)	(597.47)
FY2526**	(2,337.99)	(376.22)	(200.65)
	(3,103.22)	(1,694.35)	(903.65)

Revenue Over/Under Reported by Year

	Revenue Not Reported to DOR- Parks Other Than Newport	Revenue Not Reported to DOR- Newport
FY2223*	(2,763.26)	(2,175.41)
FY2324	1,487.37	(687.31)
FY2425	(8,927.17)	(14,936.72)
FY2526**	(32,240.42)	(5,016.30)
	(42,443.48)	(22,815.75)

* January 2023 through September 2023 only (after tax rate change)

** October 2025 through December 2025 only

While taking a closer look at the sales tax, it was also noted that when a refund for cancelled events or other revenue that charges sales tax is issued, the refund is only coming from the revenue account in MIP. Since part of the payment was for sales tax, it should not all be refunded from the revenue account. All of this reduces the revenue retained by the County.

Because part of this issue was caused by sales tax being built into the price rather than calculated on the sale, the Fiscal Operations Manager (FOM) for the County was consulted. The FOM investigated further and found that due to a change at the state level, sales tax was no longer to be collected for commercial rentals. A technical assistance advisement from 2012 (TAA 12A-014) included the rental of community center rooms and pavilions by local governments under commercial rentals. The change took place effective October 1, 2025. The change was not noticed because on the monthly reports to DOR, this revenue was being reported under “sales/services/electricity” instead of “commercial rentals.” The numbers above include the revenue reported and resulting tax that was paid to DOR between October 2025 and December 2025. The change in tax requirements accounts for approximately half of the over reported and paid amounts.

It was also noted when reviewing the boat ramp fees that deposit reports were not being submitted to Finance on a weekly basis anymore. Though the cash appeared to be deposited into the bank weekly, the information was not provided to Finance as frequently. There were some months with only one or two deposits. This made determining the weekly cash revenue from the honor boxes impossible. The monthly totals are also skewed because some months had deposits from prior months reported on the deposit of the following month.

Recommendations

The Parks Department provided IA with their written procedures. The procedures are easy to follow with clear details on the process. Because refunds have still been missed with the procedures it is being recommended that the customer be provided with the timeframe of when they can expect the refund. This can be added to the Facilities Use Agreement. It may help with ensuring refunds are completed. If the customer knows when to expect a refund, they may be more likely to follow-up if one is not received. With inspection and DR processing time, the customer should reasonably expect the refund within one month of their event. They should be encouraged to contact Parks if they do not receive a refund within that time period.

Because there was still a significant amount of refunds that were overdue recommended updates to the Parks spreadsheet to help both Parks and Finance track refunds are as follows:

- Add conditional formatting to the event date column that automatically highlights dates that have passed. See example of how to do this in the Appendix, Figure 1.
- Add data validation to the event date column to only allow for dates to be entered into the cells. There were entries that listed additional details such as “Sundays in Jan (except 12th),” “Multiple,” and “3/4/2025, 4-6p 3/18/2025, 5-7p.” This information should be in the additional details column. This will make identifying refunds that need to be processed easier. See example of how to do this in the Appendix, Figure 2a – 2c.
- Add a column for event name. There are many circumstances where the name of the reservation does not match the person that is paying the deposit. This did improve from

the first review, but the situation of the refund name not matching the reservation name is still occurring. There are situations where the individual paying is hosting an event for another individual or entity causing them to not match up. Adding a column for event name will allow this to be addressed when setting up the reservation.

- Add a total column to the spreadsheet to track the deposit, refund, and journal entry amounts. There were a number of cases that more or less than the deposit amount listed on the spreadsheet was refunded or moved to revenue. Add conditional formatting to this column to highlight if there is a positive or negative amount remaining to be able to quickly see if there is an issue. See example of how to do this in the Appendix, Figure 3.
- It is also recommended that instead of separating the refundable deposits by fiscal year, all are kept on one continuous spreadsheet. This would be similar to the boat slip deposits that was implemented after the first review in June 2023. Finance and Parks can work together on when to move a name to a second tab for refunds that have been fully processed. The reason for this recommendation is that Parks has been adding names from preceding fiscal year to the newest fiscal year when refunds are outstanding. This has caused issues such as duplicate entries, entries being missed, and information not being consistent for a refund between the fiscal years. These issues need to be addressed either by continuous tracking or another way worked out between Finance and Parks. It is not being recommended that any entries be deleted, just moved to another tab.

The cash handling process for the boat ramp fees has several strong and weak points that were identified in the observations.



Parks should return to weekly deposit reports submitted to Finance. Revenue for different months should be on separate deposit reports.

Finance will need to review how journal entries are posted after month end. Journal entries involving revenue tied to sales tax should not be posted in a month after the DOR report can be filed. Revenue, not total payment on CRs, should be used for DOR reports.

The County has overpaid DOR for sales tax. Finance has made adjustments to DOR reports based on prior period errors in the past and should be able to do this to recoup sales tax that was overpaid. The commercial rental is no longer taxed so this report should no longer be needed.

Parks should use the original receipt number as the invoice number on the disbursement request form for refundable deposits. Though CivicPlus issues a new receipt number for the refund, being able to tie both together is important for reconciliation. The original and refund receipt should both continue to be part of the refund request paperwork.

Parks and Finance have been provided with issues identified between the Parks spreadsheet and MIP. Both departments will need to work through these issues so that the refund liability account in MIP only has the deposits that are current. Refunds and journal vouchers should be completed as soon as possible.

The customer credit report needs to be reviewed. If Parks makes contact and the customer wants to keep the credit on file, this information needs to be recorded, preferably within the CivicPlus system. A credit is considered dormant after a year of no contact from the customer, so the date of contact needs to be tied to the credit. Credits that become dormant need to be submitted to the state for unclaimed funds in April if the customer cannot be reached. The dormancy period for April 2026 would be credits from calendar year 2024 and before. These credits should be part of the process going forward for Finance. If customer credits become a material amount, they need to be included as part of unearned revenue similar to sewer payments. Finance staff has access to run a report of credits in CivicPlus that can be used for unclaimed property reporting.

² Parts of this report have been reacted pursuant to Florida Statute 119.071 due to findings and recommendations involving physical security.

Overall, while progress has been made since the June 2023 review, several recommendations have not been fully implemented and additional issues were identified during this follow-up. Refundable deposits continue to require closer monitoring to ensure timely refunds or proper transfer to revenue. Controls over spreadsheet tracking and reconciliation between Parks and Finance need to be strengthened. Sales tax reporting errors and changes in tax requirements resulted in overpayments and reporting inaccuracies. Although the cash handling process for boat ramp fees includes certain strong controls, enhancements are needed to improve monitoring, documentation, and key accountability.

Management Response:

See attached responses

Appendix

Figure 1

Conditional formatting for dates that have passed

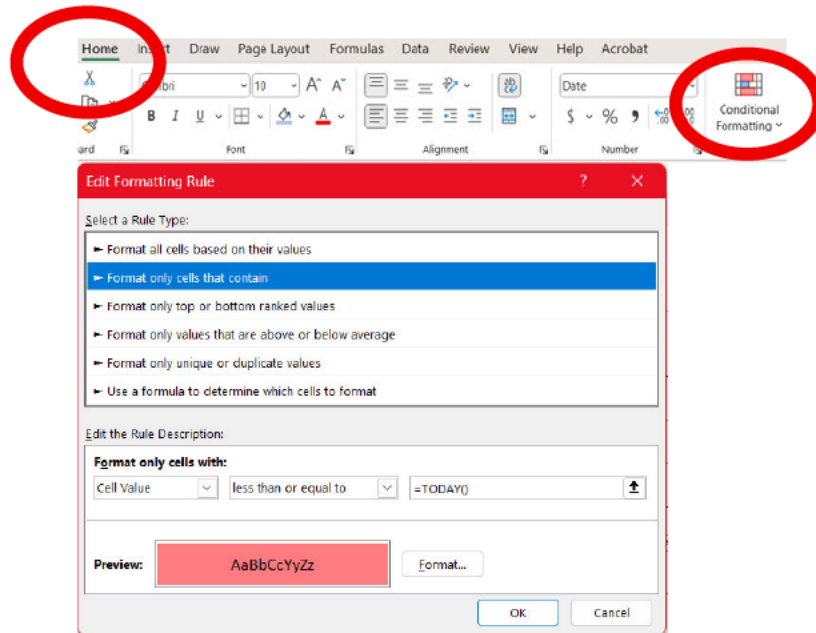
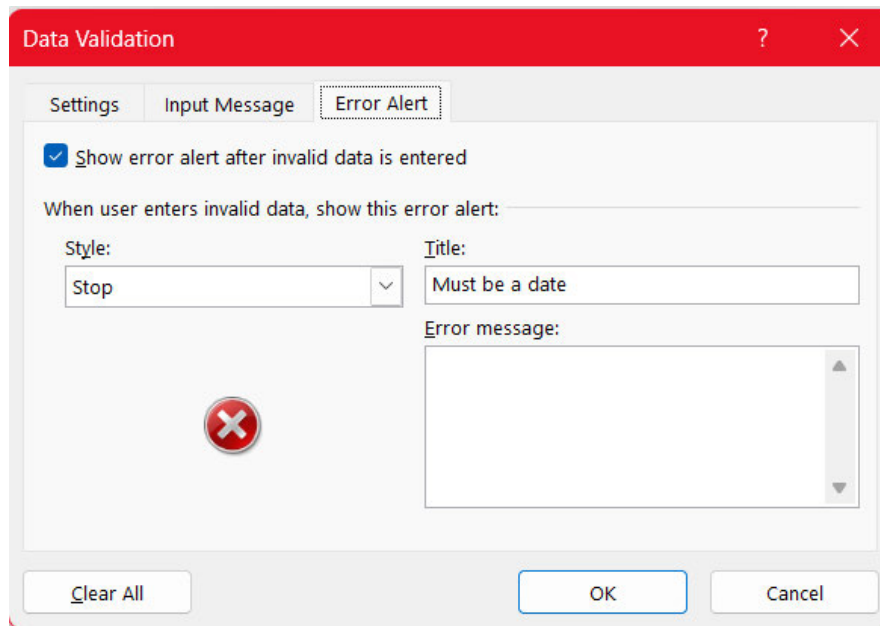


Figure 2a

Data validation for dates

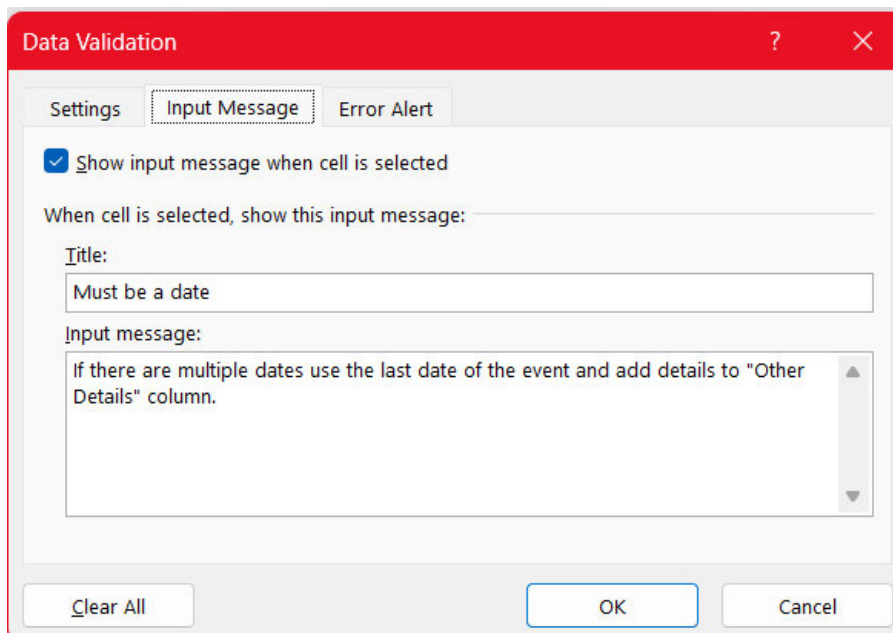


Figure 2b



The dialog box is titled "Data Validation" with a red header bar. It has three tabs: "Settings", "Input Message", and "Error Alert", with "Error Alert" being the active tab. A checkbox labeled "Show error alert after invalid data is entered" is checked. Below this, the text "When user enters invalid data, show this error alert:" is followed by a horizontal line. Underneath, there are two fields: "Style:" with a dropdown menu showing "Stop" and a small downward arrow, and "Title:" with a text box containing "Must be a date". To the left of the "Error message:" text box is a red circular icon with a white "X". The "Error message:" text box is empty. At the bottom, there are three buttons: "Clear All", "OK", and "Cancel".

Figure 2c



The dialog box is titled "Data Validation" with a red header bar. It has three tabs: "Settings", "Input Message", and "Error Alert", with "Input Message" being the active tab. A checkbox labeled "Show input message when cell is selected" is checked. Below this, the text "When cell is selected, show this input message:" is followed by a horizontal line. Underneath, there are two fields: "Title:" with a text box containing "Must be a date", and "Input message:" with a text box containing "If there are multiple dates use the last date of the event and add details to 'Other Details' column." At the bottom, there are three buttons: "Clear All", "OK", and "Cancel".

Figure 3

Conditional formatting for amounts not equal to zero.

