

**SOLID WASTE AND ENVIRONMENTAL
PROGRAM MANAGEMENT
RECYCLING PROGRAM
AUDIT 18-12
July 18, 2018**



CITY OF TAMPA

Bob Buckhorn,

Internal Audit Department

Christine Glover, Internal Audit
Director

July 18, 2018

Honorable Bob Buckhorn
Mayor, City of Tampa
1 City Hall Plaza
Tampa, Florida

RE: Solid Waste – Recycling Program, Audit 18-12

Dear Mayor Buckhorn:

Attached is the Internal Audit Department's report on the Solid Waste – Recycling Program.

The Recycling Program has already taken positive actions in response to our recommendations. We thank the management and staff of the Solid Waste Department for their cooperation and assistance during this audit.

Sincerely,

/s/ Christine Glover

Christine Glover
Internal Audit Director

cc: Dennis Rogero, Chief of Staff
Sonya Little, Chief Financial Officer
Ernest Mueller, Chief Assistant City Attorney
Brad Baird, Administrator for Public Works and Utility Services
Mark Wilfalk, Director of Solid Waste and Environmental Program Management

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Not available to sign

Auditor

/s/ Christine Glover

Audit Director

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BACKGROUND

The City of Tampa (City), through the Solid Waste and Environmental Program Management Department (SW), is responsible for the collection and disposal of its solid waste. This includes all matters relating to sanitation including the collection, transportation, recycling, reclamation, conversion, and disposal of garbage and other refuse.

The Recycling Program is part of SW and includes a current staffing level of two full time employees, the Recycling Coordinator and Recycling Specialist. Their work includes environmental coordination that specializes in recycling and waste reduction. Recycling reduces the amount of waste ultimately being disposed of and conserves natural resources. The City has a revenue sharing agreement with WM Recycle America, LLC (WM). WM processes the recyclables dropped off by the City at the WM Material Recovery Facility in Tampa and markets the “final” recyclable products, sharing the revenue generated from the process.

STATEMENT OF OBJECTIVE

This audit was conducted in accordance with the Internal Audit Department's FY2018 Audit Agenda. The objective of this audit was to ensure that the system of internal control for the recycling program was adequate.

STATEMENT OF SCOPE

This audit period covered activity that occurred from October 2016 through March 2018. Tests were performed to determine whether recycling staff were fulfilling their stated duties and responsibilities in an effective and efficient manner. Original records as well as copies were used as evidence and verified through observation and physical examination.

STATEMENT OF METHODOLOGY

The recycling contract with the City includes processing the recyclable materials and marketing the “final” product. The recycling agreement and supporting documents, for the month of February 2018, were reviewed to ensure the rebates paid to the City were complete and accurate. The data used for review was obtained from spreadsheets and reports maintained by recycling staff. We conducted a risk analysis and found no substantial risk existed to merit additional testing.

STATEMENT OF AUDITING STANDARDS

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDIT CONCLUSION

Based upon the test work performed and the audit finding noted below, we conclude that the system of internal control for recycling processes is adequate, except for a lack of written policies and procedures.

POLICIES AND PROCEDURES

STATEMENT OF CONDITION: SW does not have written policies and procedures specific to recycling processes.

CRITERIA: City Ordinance Chapter 2, Section 2-46 requires departments “to create and maintain all records with adequate and proper documentation of the organization, together with the functions, policies, decisions, procedures, and essential transactions of the department.” Policies and procedures must be described correctly and accurately in order to more effectively manage and control uncertainty and help staff achieve organizational goals more effectively. Procedures help ensure consistency in daily job responsibilities.

CAUSE: Institutional knowledge passed down to staff as on-the-job training has not been incorporated into formally written policies and procedures for recycling processes.

EFFECT OF CONDITION: There may be inconsistencies in the way recycling processes are carried out and the risk increases that employees make errors in their daily job responsibilities.

RECOMMENDATION: Management should develop formal written policies and procedures for recycling processes completed by staff to ensure effective and consistent performance of responsibilities and adherence to City Ordinances.

MANAGEMENT RESPONSE: Agree. While Policies and Procedures were developed in 2008 for the Recycling Program, updates are needed. Over the past few years there has been turnover in this business unit which only has two funded FTE's. While knowledge was verbally shared to ensure continuity, the program itself has evolved and grown. Updated policies and procedures are needed.

TARGET IMPLEMENTATION DATE: September 11, 2018