



# MIAMIBEACH

BUDGET AND PERFORMANCE IMPROVEMENT  
Internal Audit Division

## INTERNAL AUDIT REPORT

To: Jorge M. Gonzalez, City Manager  
Via: Kathie G. Brooks, Budget and Performance Improvement Director  
From: James J. Sutter, Internal Auditor

Date: March 31, 2011  
Audit: T&S Limited Roll-Off Solutions (T&S)  
Period: October 2007 to February 2011

This report is the result of a scheduled audit of the Roll-Off Fee Returns for T&S Limited Roll-Off Solutions, (T&S).

### INTRODUCTION

A roll-off is defined as a container with a minimum capacity of ten cubic yards designed to be transported by a motorized vehicle. They are typically used for the purpose of removing construction debris, which include rock, metal and other materials used in connection with a construction project or for the removal of large quantities of trash and bulky waste.

Approximately thirty companies currently possess business tax receipt demonstrating that they operate roll-offs within the City's boundaries. They are required to abide by the terms outlined in the City Code. This includes the remittance of franchise fees calculated by using the applicable percentage of Miami Beach gross receipts. Reports are to be submitted to the City's Finance Department by the end of the subsequent month. Effective October 2008 the roll-off franchise fee was increased from 16% to 18%.

### BACKGROUND

Previously, on September 13, 2007 an audit was performed at T&S Limited establishment. Their records showed that franchise fees were remitted timely to the City of Miami Beach. There was no audit assessment.

### OVERALL OPINION

A review of T&S's record showed that T&S did not have any customers within the City of Miami Beach for the audit period. Therefore, T&S was not required to file franchise returns to the City. The owner has commented that it is not cost effective to service accounts in Miami Beach and the only reason T&S renewed their business tax receipt is in the event they receive a big job in the City. T&S has complied with the City Codes during the audit period. The following items were noted during our audit:

The following gross receipts were reported and fees paid during the audit period.

	Oct.-Dec 2007	Jan-Dec 2008	Jan-Dec 2009	Jan-Dec 2010	Jan-Mar. 2011	TOTAL
Audited / Reported Gross Receipts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

## **PURPOSE**

The purpose of this audit is to determine whether all roll-off waste contractor billings were correct, and whether all City revenues were correctly calculated, received timely and accurately recorded by the City, and the contractor was in compliance with designated sections of the City Code and related Ordinances.

## **SCOPE**

1. Review waste contractor's books and records to confirm that their billings were correct; their gross receipts were correctly calculated and support the monthly franchise fee submitted to the City.
2. Confirm that the private waste contractor timely sent the City the required reports in adherence with the terms listed in the City Code.
3. Confirm that the private waste contractor is timely sending the required Monthly Report of Gross Receipts along with their remittance to the City.
4. Confirm that the private waste contractor timely obtained their required annual business tax receipt.
5. Confirm that the private waste contractor timely submitted their annual Certified Public Accountant (CPA) Statements of Gross Receipts to the City (If applicable).
6. Confirm that the private waste contractor has obtained the required insurance in adherence with Section 90-196 of the City Code.
7. Confirm that all monthly Roll-off Fee Return and were timely and correctly recorded in the City's Financial System.

## **EXIT CONFERENCE**

Audit findings were e-mailed on March 29, 2011 to T&S Limited. We confirmed their agreement to our findings on March 31, 2011.

JS:CD

Audit performed by Carmin Dufour

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cc: Duncan Ballantyne, Assistant City Manager  
Fred Beckmann, Public Works Director  
Alberto Zamora, Sanitation Director  
Patricia Walker, Chief Financial Officer  
Guilio Piccinonna, T&S Limited Roll -Off Solutions, Inc. (Owner)