



Audit of  
Lost and Found at the  
Fort Lauderdale-Hollywood  
International Airport

Office of the County Auditor

Audit Report

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**Report No. 26-09**  
**April 29, 2026**



**OFFICE OF THE COUNTY AUDITOR**

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April 29, 2026

Honorable Mayor and Board of County Commissioners

Pursuant to the Annual Audit Plan, we conducted an audit of Lost and Found (L&F) at the Fort Lauderdale-Hollywood International (FLL) Airport. Our objectives were to determine whether L&F practices at the FLL Airport comply with the applicable policies, procedures, and regulations, and whether L&F items were properly and securely handled at the FLL Airport.

We conclude that L&F practices at the FLL Airport generally comply with applicable policies, procedures, and regulations. However, due to insufficient management oversight and inadequate documentation, we could not provide reasonable assurance that L&F items were consistently handled in a proper and secure manner. Opportunities for Improvement are included in this report.

We conducted this audit in accordance with Generally Accepted Government Auditing Standards. The standards require that we plan and perform the audit to obtain sufficient and 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 conclusions based on our audit objectives.

We appreciate the cooperation and assistance provided by the Broward County Aviation Department, Purchasing Division, the County Attorney's Office, and the Transportation Security Administration staff at the FLL Airport throughout our audit process.

Respectfully submitted,

A handwritten signature in blue ink that reads "Bob Melton".

Bob Melton  
County Auditor

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# INTRODUCTION

## Scope and Methodology

The Broward County Office of the County Auditor conducts audits of Broward County's entities, programs, activities, and contractors to provide the Board of County Commissioners, Broward County's residents, County management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations.

Pursuant to the Annual Audit Plan, we conducted an audit of Lost and Found (L&F) at the Fort Lauderdale-Hollywood International (FLL) Airport. Our audit objectives were:

1. To determine whether L&F practices at the FLL Airport comply with the applicable policies, procedures, and regulations.
2. To determine whether L&F items were properly and securely handled at the FLL Airport.
3. To determine whether any Opportunities for Improvement exist.

To determine whether the L&F practices at the FLL Airport comply with the applicable policies, procedures, and regulations, we reviewed the L&F Office's written procedures, applicable requirements in the County Administrative Policies and Procedures, Florida Statutes, and federal regulations. We also performed inquiries with the County Attorney's Office and the Purchasing Division on the subject areas reviewed.

To determine whether L&F items were properly and securely handled at the FLL Airport, we performed inquiries of County staff, including Broward County Aviation Department's (BCAD), the County's Purchasing Division, and the Transportation Security Administration (TSA) staff at the FLL Airport. Also, we conducted physical observations of found items and currencies at the L&F Office and observed the transfer of unclaimed currencies from the L&F Office to BCAD Finance Division. We reviewed the found and claimed (returned) item reports and other supporting documentation from BCAD and the TSA, documentation related to transfers of unclaimed items from the L&F Office to the auction contractor, records of transfers of unclaimed currencies to BCAD Finance Division, the auction contractor's sales reports, selected contractual requirements in the County's agreement with the auction contractor, and the L&F Office's schedules with daily operational results.

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The scope of our audit did not include an in-depth information technology evaluation/technical review of the 24/7 Software (a system for tracking L&F items) or the Closed-Circuit Television (CCTV) system utilized by the L&F Office. Our procedures were limited to reviewing the user manual and reports generated from the 24/7 Software and observing the CCTV system coverage within the L&F Office premises (the L&F Office and a storage room #2).

We conducted this audit in accordance with Generally Accepted Government Auditing Standards. The standards require that we plan and perform the audit to obtain sufficient and 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 conclusions based on our audit objectives.

Our audit included such tests of records and other auditing procedures as we considered necessary in the circumstances. The audit period was January 1, 2024 to December 31, 2025. However, transactions, processes, and situations reviewed were not limited by the audit period.

### **Overall Conclusion**

We conclude that Lost and Found practices at the FLL Airport generally comply with applicable policies, procedures, and regulations. However, due to insufficient management oversight and inadequate documentation, we could not provide reasonable assurance that Lost and Found items were consistently handled in a proper and secure manner. Opportunities for Improvement are included in this report.

### **Background**

The Lost and Found (L&F) Office at Fort Lauderdale-Hollywood International Airport (FLL Airport) is responsible for collecting, processing, storing, returning, and disposing of items lost by passengers and visitors on the airport premises, which include airside, landside, terminals, parking garages, and airport shuttle buses. Properties found on an aircraft, in a tenant-leased space, a rental car or a ride share vehicle, on a Broward County Transit bus, Tri-Rail bus, or on the roadways outside the airport premises are handled directly by the respective airlines, tenants, rental car companies, or transportation providers.

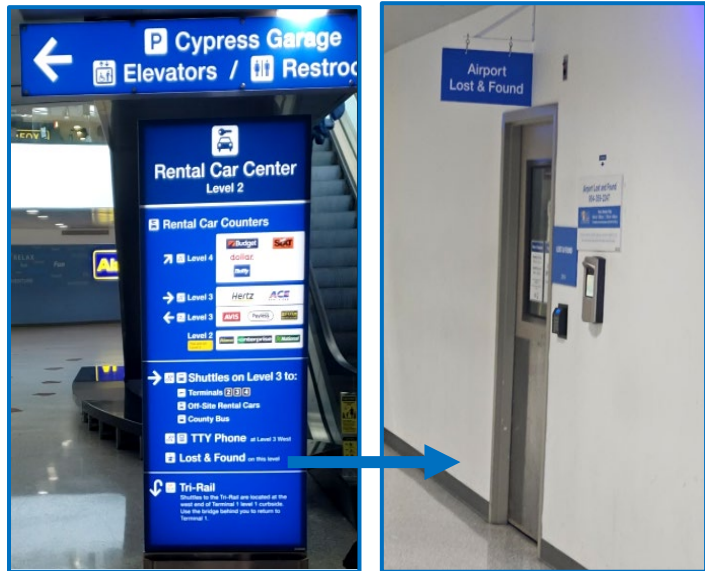
### **The L&F Office**

The L&F Office is managed by the Broward County Aviation Department's (BCAD) Operations Division. Their operations are conducted in accordance with the Florida Statutes, Title XL Real and Personal Property, Chapter 705.182, Disposal of Personal Property Found on Premises of Public Use Airports.

The L&F Office Location and Hours of Operations

The L&F Office is located on Level 2 of the Rental Car Center at FLL Airport. The Office's hours of operation are Monday through Friday from 8:30 AM to 12:00 PM and 1:00 PM to 4:00 PM. The L&F Office is closed on weekends and Broward County holidays. However, customers can retrieve Items 24 hours a day, 365 days a year by calling the Airport Operations Control Center.

The L&F Office includes the main office space from which the break room, storage room #1, and the overflow storage room are accessible. These spaces are used as follows:



*Source: Pictures taken by the Office of the County Auditor during the site visit.*

- The main office space is the working space for the L&F staff and a pick-up area, accessible to the public to drop off or claim items, and houses cabinets for storing current (within 30 days of being found) electronics and documents, and drop-off bins for items received for processing.
- The employee break room is used for the L&F staff's breaks, to store unclaimed items in preparation for transferring them to the auction contractor, a rack for storing coats, and empty luggage bags to be used for packing unclaimed items for donations.
- Storage room #1 is the main secured storage space used for storing current items.
- The overflow storage room is used to store unclaimed items (after 30 days of being found) prepared for donations, as well as the current jewelry, alcohol, and medication bins.


The main office space and storage room #1 have Closed-Circuit Television (CCTV) cameras and require a badge swipe to access. The CCTV system is used to monitor and record activities airport-wide, including at the L&F Office.

In addition to the L&F Office, staff use storage room #2 to store large items such as bicycles, strollers, wheelchairs, and boxed unclaimed items waiting transfer to the auction contractor.

**Processing of Lost and Found Items**

The lost items are found and brought to the L&F Office by various parties, including BCAD staff, the Transportation Security Administration (TSA), Broward Sheriff's Office, airport vendors, passengers, etc. All L&F items must be documented on a Property Receipt, a standard paper form shown in **Figure 1**. If a larger item, like a bag, containing multiple smaller items, is found, all smaller items in the bag are detailed (inventoried) on one Property Receipt.

**Figure 1**  
**FLL L&F Property Receipt**

	<b>FLL LOST &amp; FOUND PROPERTY RECEIPT</b> 954-359-2247
Date & Time Property Found: ___/___/___ :___ <input type="checkbox"/> A.M. <input type="checkbox"/> P.M. Location Property Found: (Mark all that apply) Terminal: <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4      Concourse: <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> G Restroom M / F    Arrival / Baggage Claim    Departure / Ticketing    Curb / GTA Parking: Palm Hibiscus Cypress Employee RCC Level / Row: _____ Courtesy: Shuttle Tram BCT / Shelter Stop Other: _____ Description of Property Found: _____ Cash, Electronics, Jewelry, Valuables: _____ Other Contents: _____ Possible Owner's Identifying Information: Name: _____ Phone Number: _____ Address: _____	
<b>Chain of Custody</b> Found By: _____ <div style="display: flex; justify-content: space-around; width: 100%;"> <span>Print name</span> <span>Signature</span> <span>Employer</span> </div> Transferred to BCAD Employee: _____ <div style="display: flex; justify-content: space-around; width: 100%;"> <span>Agent Name &amp; Number</span> <span>Signature &amp; Date</span> </div> Transferred to BCAD Employee: _____ <div style="display: flex; justify-content: space-around; width: 100%;"> <span>Agent Name &amp; Number</span> <span>Signature &amp; Date</span> </div> Receiving Lost & Found Employee: _____ <div style="display: flex; justify-content: space-around; width: 100%;"> <span>Agent Name &amp; Number</span> <span>Signature &amp; Date</span> </div> Released by: _____ <div style="display: flex; justify-content: space-around; width: 100%;"> <span>Agent Name &amp; Number</span> <span>Signature &amp; Date</span> </div>	
<b>Claimed/Returned Information:</b> Claimed by ID: <span style="border: 1px solid black; display: inline-block; width: 150px; height: 40px; vertical-align: middle;"></span> _____ <div style="display: flex; justify-content: space-around; width: 100%;"> <span>Signature</span> </div> _____ <div style="display: flex; justify-content: space-around; width: 100%;"> <span>Date</span> </div>	
G:\Operations_New\Landside\FORMS <div style="float: right;">Revision Date 10/22/2018</div>	

*Source: Obtained from BCAD.*

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The L&F staff use 24/7 Software (system), a web-based contracted application, to manage found items and lost claims. The found items detailed on the Property Receipt are entered into the system. The system automatically generates a unique Found Item number for each Property Receipt. This number is recorded on the corresponding Property Receipt by the L&F staff. The L&F staff communicated that, starting in March 2025, pictures of found items are uploaded into the system.

If property is found/collected during non-business hours, the person who found the item will turn the item over to a Terminal Agent (BCAD staff), who then will transfer the item to the L&F Office. Lost property found at the TSA checkpoints is handled by the TSA and, except for the cash without an owner identification that is kept by the TSA, is turned over to the L&F Office within 48 hours for processing.

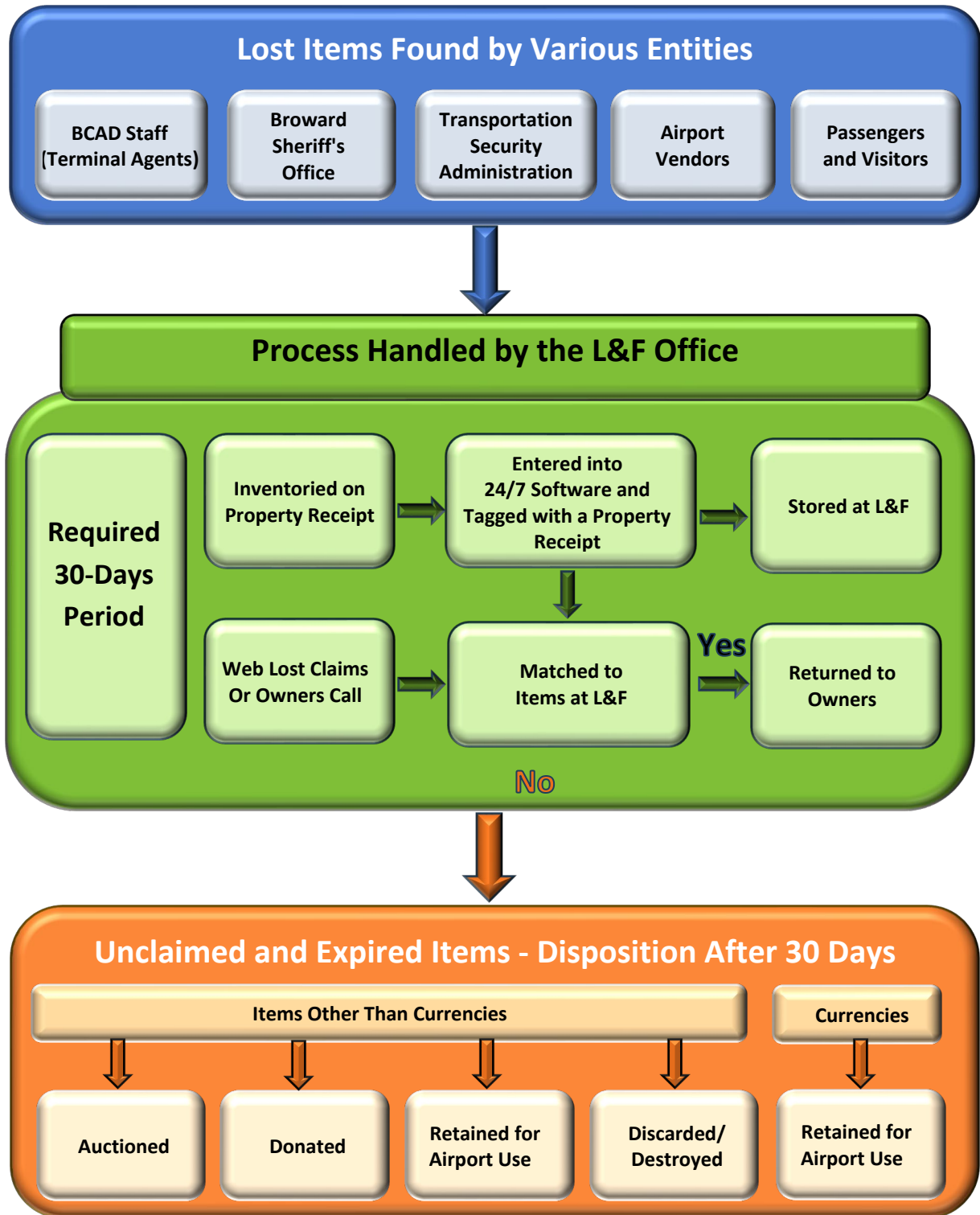
Found Items are stored in designated L&F storage areas for 30 days in accordance with the Florida Statutes, Chapter 705.182. All money turned over to the L&F Office is stored in secure safes.

The L&F staff are required to periodically search the Web Lost Claim Forms submitted through the FLL website for matches to the Found Items and make every effort to contact potential owners via email, web, or social media, if known, to reunite Found Items with their verified owners. Items can be redeemed in person, by mail, through a commercial shipper, or by an authorized person.

In accordance with the Florida Statutes, Chapter 705.182, once the 30 days of being found have passed, the unclaimed items are disposed of by retaining the property for use by the airport, trading the property to another unit of the local government or state, donating the property to a charitable organization, selling the property at a public auction, or disposing of (discarding/destroying) the property.

**Figure 2** is a flowchart demonstrating the processing of L&F items at the FLL Airport.

**Figure 2**  
**Processing of L&F Items at the FLL Airport**



*Source: Prepared by the Office of the County Auditor with information obtained from BCAD.*

**Figure 3** shows the number of items received and returned during Calendar Years (CY) 2023 through 2025 (as of November 30, 2025), by year.

**Figure 3**  
**Items Received and Returned During CY 2023 Through 2025, by Year**

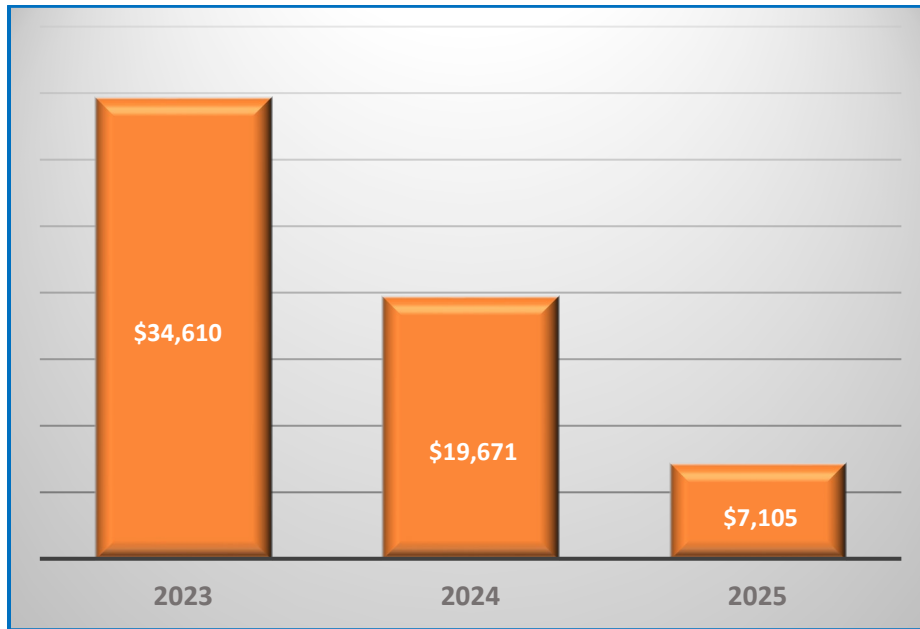


*Source: Prepared by the Office of the County Auditor with information obtained from BCAD.*

### Revenues from the Auction Sales of Unclaimed Items

Upon expiration (after the 30 days of being found), certain items (including handbags, purses, wallets, clothing, belts, shoes, jewelry, watches, etc.) in resalable condition and electronics (such as laptops, tablets/iPads, phones, headphones, cameras, electronic watches, air tags, etc.) are packed into boxes, totaled by box and category, labeled and transferred to A1 Assets Inc., a County-contracted Surplus Disposal and Auctioneering Services contractor (auction contractor). These items are then sold or destroyed (if they cannot be sold) by the auction contractor. For sold items, the auction contractor provides BCAD with reports and a check for the County's 60% share of the revenue from the sales. **Figure 4** shows the County's share of revenues from auction sales during CY 2023 through 2025, by year.

**Figure 4**  
**County's Share of Revenues from Auction Sales for CY 2023 Through 2025, by Year**



**Source:** Prepared by the Office of the County Auditor with information obtained from BCAD.

**Note:** In CY 2025, there was only one transfer (on July 21, 2025) of unclaimed items to the auction contractor.

# OPPORTUNITIES FOR IMPROVEMENT

Our audit disclosed certain policies, procedures and practices that could be improved. Our audit was neither designed nor intended to be a detailed study of every relevant system, procedure or transaction. Accordingly, the Opportunities for Improvement presented in this report may not be all-inclusive of areas where improvement may be needed.

## 1. Management Oversight of Lost and Found Needs Improvement.

During our audit, we noted that management oversight of certain areas of the Lost and Found (L&F) operations needs improvement. Specifically,

- A. **Unclaimed items transferred for sales at auctions or suitable for sale were not processed timely and appropriately.** Our review of unclaimed items transferred for sales at auctions after the statutory 30-day holding period identified that items were not processed timely, adequately tracked, and reconciled to revenues received. Also, upon review of donated and destroyed unclaimed items, we noted that some of these items either could have been auctioned or lacked sufficient records to evaluate the appropriateness of the disposition method. Refer to further discussion in **Opportunities for Improvements Nos. 2 and 3.**
- B. **Unclaimed currencies were not reconciled against the system records, not transferred to BCAD Finance Division (BCAD Finance) timely, and foreign currencies were not deposited into the bank timely.** As a result of our review of transfers of unclaimed currencies from the L&F Office to BCAD Finance, we identified that the L&F Office does not transfer unclaimed currencies to BCAD Finance timely, and does not reconcile the unclaimed currencies on hand to the 24/7 Software (system), where found items and currencies are tracked, before transferring them to BCAD Finance. Further, the foreign currencies were not deposited by BCAD Finance into the bank timely. See **Opportunities for Improvements Nos. 4 and 5,** for more information.
- C. **Searches for matching claims, outreach to owners, processing of claimed items returns are not handled timely and sufficiently, and written notices to known owners are not mailed before auctions.** Our review identified that searches for matching claims and outreach to owners were not performed timely, sufficiently, or in compliance with procedural requirements, and processing of item returns to owners were not timely or adequately documented. See **Opportunities for Improvements Nos. 6 and 7** for more information. Also, we noted that the L&F staff does not send written notices via certified

mail to the potential owners (if known) before selling items at auctions, as required by the Florida Statutes. Refer to further discussion in **Opportunity for Improvement No. 13**.

- D. The L&F Storage spaces are not sufficient and secure, and need better organization.** During our physical observations, we noted that the L&F premises lack sufficient and proper storage space for property. Refer to further discussion in **Opportunity for Improvement No. 8**.
- E. The L&F staffing is insufficient.** BCAD indicated that certain portions of the L&F written procedures and requirements are not being fully or consistently followed due to staffing shortages, as hiring and retaining proficient staff for entry-level positions in the available job classes with low pay is challenging. Refer to further discussion in **Opportunity for Improvement No. 9**
- F. Item information is tracked inconsistently and inadequately in the system that has limitations.** We reviewed the reports available from the system used by L&F staff and the information recorded in the system, and noted that the system has limitations. Additionally, we noted inconsistencies in item information entry into the system, including incomplete, inaccurate, or very general descriptions of the items and/or their contents, and entry of similar information into different fields in the system. See **Opportunities for Improvements Nos. 10 and 11** for more information.
- G. The L&F written procedures are not comprehensive and lack sufficient details in some key areas.** The L&F written procedures were updated in February 2025; however, they do not reflect some of the current practices, requirements, and process phases, and certain procedures need additional details for employees to perform their job responsibilities consistently. Some transactions reviewed occurred before the current written procedures became effective in February 2025. Accordingly, our evaluation of compliance with the current requirements was applied to transactions processed on or after the effective date. Refer to further discussion in **Opportunity for Improvement No. 12**.
- H. The review and approval performed by management for the L&F operations is not documented; therefore, we were unable to evaluate the timeliness and adequacy of management's review.** BCAD management indicated that the staff typically corrects the issues on the spot, so formal documentation of the review may not always be necessary. However, as discussed in **Opportunities for Improvement Nos. 3 and 10**, the absence of such documentation limits our ability to confirm whether oversight activities were performed in a timely and effective manner.

- I. **No periodic verifications of the physical existence of items in the L&F storage against system records are performed.** BCAD management communicated that the verifications are not performed due to short staffing. Failure to verify the physical existence of items against system records increases the risk of undetected discrepancies, errors, or misappropriation.

Due to insufficient management oversight and inadequate documentation, we could not provide reasonable assurance that L&F items were consistently handled in a proper and secure manner.

During the audit, we observed that since assuming responsibility for the L&F Office, the current L&F Manager has taken steps to improve operations and has revised written procedures. While these efforts represent meaningful progress, additional Opportunities for Improvement remain to enhance L&F operations and strengthen management oversight and internal controls.

Management oversight and adequate internal controls are critical to ensuring that L&F operations are conducted efficiently, securely, and in compliance with established policies and procedures. Best practices require documented evidence of management review and approval of transactions and reconciliations, as well as periodic, unannounced physical verification of stored items by personnel independent of daily operations. The lack of adequate management oversight can compromise accountability, reduce operational efficiency, and expose the organization to reputational and financial risks.

**We recommend management:**

- A. Enhance management oversight of L&F practices in areas noted in this report, including the documentation of management review and approval.
- B. Perform periodic verifications of the physical existence of items in the L&F storage against system records. Such verifications should be performed on a surprise basis by management or individuals who are not directly involved in the processing of L&F items.

**2. Unclaimed Items Transferred to Auction Should be Processed Timely, Adequately Tracked, and Reconciled to Revenues Received.**

The L&F Office utilizes the County contract with A1 Assets Inc., a Surplus Disposal and Auctioneering Services contractor (auction contractor) for selling unclaimed and expired items (unclaimed items) after the statutory 30-day holding period. We reviewed the disposition of unclaimed items through auction, and noted the following:

A. The transfers of unclaimed items to the auction contractor are not processed timely. Specifically, we noted that there was only one transfer of unclaimed items from the L&F Office to the auction contractor during calendar year 2025. These items were found during October 2024 through March 2025 and were not transferred until July 21, 2025, resulting in a delay of approximately three to eight months beyond the 30-day statutory holding period for the most recently found items. Further, as of December 31, 2025, no subsequent transfers occurred after July, indicating that the delay continued through the year. This is particularly critical because, during the prolonged period of preparing items and waiting for an auction, the high-value items (such as brand-name items, electronic devices, etc.) are separated from the related Property Receipts and no longer tracked in the system after the separation. In addition, these items were not securely stored during the extended holding period, increasing the risk of loss, theft, or misplacement prior to the transfer (refer to **Opportunity for Improvement No. 8**). **Figure 5** shows the number of items by category transferred to the auction contractor on July 21, 2025.

**Figure 5**  
**Number of Items by Category Transferred to**  
**Auction Contractor on July 21, 2025**

Item Categories	Quantity of Items
<b>Electronics</b> - Headphones, AirPods, Earbuds	838
<b>Electronics</b> - Cellphones	274
<b>Electronics</b> - AirTags, Apple Pencils and Watches, Cameras & Camera Accessories, Chargers, Computer Mice, Nintendo Switches, Phone Accessories, Speakers, etc.	192
<b>Electronics</b> - iPads, Tablets, Laptops, Kindle E-Readers	176
<b>Accessories</b> - Keys	314
<b>Accessories</b> - Bags, Purses, Wallets, Belts, Binoculars, Sunglasses, etc.	176
<b>Clothing &amp; Footwear</b>	22
<b>Sport Equipment</b>	4
<b>Other Miscellaneous</b>	4
<b>Grand Total</b>	<b>2,000</b>

*Source: Prepared by the Office of the County Auditor with information obtained from BCAD.*

BCAD staff communicated that, as of early 2025, individuals were still contacting the L&F office regarding items lost between October and December 2024, as some had been out

of the state or abroad during the holiday season. Since the L&F Office still possessed the claimed items, they returned them to the owners even though the items had exceeded the 30-day holding period required by the Florida Statutes and had been purged from the system. L&F staff also communicated that transfers are scheduled after a sufficient number of items have accumulated, as the auction contractor's drivers travel from Orlando to the FLL Airport. However, our review of the documentation for the July 2025 transfer noted a total of 2,000 items, as shown in **Figure 5**, comprising 52 boxes. This volume appears to be more than sufficient for more frequent transfers, particularly given the limited space and storage constraints at the L&F premises.


Delays in transferring the high-value items to the auction contractor and storing them in unsecured areas during the extended holding period increase the risk of misappropriation, theft, or unauthorized use of items. These delays may also result in a loss of the County's share of the auction proceeds.

- B.** The documentation used to transfer items for auction is inadequate. Specifically, we reviewed the form used by BCAD to document the transfer of items to the auction contractor on July 21, 2025, and noted that:
- The form is titled "Donation Form," which is also used to document donations; however, it does not accurately reflect the nature of the transfer for sale to the auction contractor.
  - The form contains a statement on the signature page, stating that the Director "may retain any or all of the property for use by the airport or for use by the Broward County Government". However, the more accurate statement based on the Florida Statutes should be "may sell the property".
  - The form shows only the total counts of disposed items in each box by item category, which does not allow for a reconciliation/traceability of items to the system.

**Figure 6** shows excerpts from the Donation Form for the items transferred to the auction contractor on July 21, 2025.

**Figure 6**  
**Excerpts from the Form for Items Transferred to**  
**Auction Contractor on July 21, 2025**

Top of Page 1 of the Donation Form




BROWARD COUNTY AVIATION DEPARTMENT  
 LOST FOUND  
DONATION FORM

**BOX 1**

QUANTITY OF ITEMS	ITEM CATEGORY	ITEM DESCRIPTION
32	CELLPHONES	IPHONE, SAMSUNG, ETC.




BROWARD COUNTY AVIATION DEPARTMENT  
 LOST FOUND  
DONATION FORM

**BOX 2**

QUANTITY OF ITEMS	ITEM CATEGORY	ITEM DESCRIPTION
94	WIRELESS EARBUDS	AIRPODS, SAMSUNG BUDS, BEATS, ETC.
71	ELECTRONICS	SINGLE AIRPODS
7	ELECTRONICS	IPADS, TABLETS, LAPTOPS

Signature Page of the Donation Form



BROWARD COUNTY AVIATION DEPARTMENT  
 LOST FOUND  
DONATION FORM

In accordance with Florida Statute Title XL - Chapter 705, Lost or Abandoned Property, if within 30 calendar days after such property is found or for a longer period of time as may be deemed appropriate by the Director or the Director's designee under the circumstances, the property is not claimed by the owner, the Director or the Director's designee may retain any or all of the property for use by the airport or for use by Broward County Government.

Name of Organization: AI Asset

Item(s) Received by: [REDACTED]

Donation Recipient (Print Name)      [REDACTED]      Donation Recipient (Signature)

.7.21.25 \_\_\_\_\_

Approved By: [REDACTED]

BCAD Representative (Print Name)      [REDACTED]      BCAD Representative (Signature)

7/21/25  
Date

**Source:** Prepared by the Office of the County Auditor with information obtained from BCAD.

**Note:** Individual names and signatures have been redacted. Red boxes were added by the Office of the County Auditor to demonstrate the title of the document, the statement, and the total item counts by category. Also, a copy of the Donation Recipient's/auction contractor's Driver's ID that was included on the bottom of the Donation Form is intentionally not shown on this excerpt.

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BCAD staff communicated that the Donation Form is used for property transfers for both donations and auctions. The difference is signified at the bottom of the form, which states to whom items are being transferred from BCAD. However, the form should clearly reflect the type of disposition and relevant information.

Good internal controls include supporting documentation that clearly reflects the nature of the transactions and contains sufficient information for reconciliation/traceability of transferred items to the system of record. The lack of such information may negatively impact its legal enforceability and the collectability of proceeds from the auction sales of transferred items.

- C. The auction contractor did not provide the required reconciliation reports, and BCAD was not aware of such contractual requirements. The auction contractor did not provide BCAD with the reconciliation reports and the underlying documentation of appraisals of items by qualified appraiser(s) in compliance with the “Specifications and Requirements” section of the contract. Without such reports, BCAD was unable to verify whether items transferred to the auction contractor were sold, at what value, and whether the revenues received from such sales were reasonable.

BCAD staff communicated that after we brought this to their attention, they requested such reconciliation reports for the July 2025 transfer.

The lack of periodic reviews of the reconciliation reports and the underlying documentation of appraisals of items by qualified appraiser(s) may result in a mishandling of transferred items by the auction contractor and loss of proper proceeds by the County, going undetected.

- D. We reviewed the L&F written procedures, revised on February 11, 2025, in relation to the processing of unclaimed items for auctions, and noted that the procedures do not specify a required timeline for transferring items to auction and do not require a review of reconciliation reports and the underlying documentation to ensure that BCAD received appropriate auction proceeds.

Good internal controls include detailed and comprehensive written procedures that reflect current practices and provide consistent and sufficient guidance for staff to perform their duties properly, conduct supervisory reviews, and meet documentation requirements.

The absence of comprehensive formal written procedures may lead to confusion about job responsibilities, inefficiencies, errors in staff’s work, and opportunities for

misappropriation. This may result in inconsistent processing, delays in processing of items for auctions, and potential loss of revenues from auction sales.

**We recommend management:**

- A. Ensure that the transfers of unclaimed items to the auction contractor are performed in accordance with established timeline and/or criteria (see **Recommendation E** below).
- B. Ensure that the L&F Office uses proper item disposition forms to clearly document each type of disposition, use the relevant Florida Statutes language on the form, and include sufficient information for reconciliation/traceability of disposed items to the system.
- C. Ensure the auction contractor provides reconciliation reports, and when requested by BCAD, underlying documentation for appraisals by a qualified appraiser(s), in compliance with the County's contract with the auction contractor.
- D. Perform periodic reviews of the auction contractor's reconciliation reports and supporting documentation to verify whether the revenue received is reasonable.
- E. Ensure the L&F written procedures are updated to:
  - 1. Establish a defined timeline and/or criteria for transferring unclaimed items to the auction contractor.
  - 2. Require reviews of the auction contractor's reconciliation reports and supporting documentation for reasonableness, including comparisons between items transferred and items sold or destroyed by the auction contractor, and verification of disposition values based on the appraisals by a qualified appraiser(s).

**3. Sufficient Controls and Oversight are Needed to Ensure that Unclaimed Items Suitable for Auction are Handled Appropriately.**

We found that certain donated and destroyed unclaimed items either could have been auctioned or lacked sufficient records to evaluate the appropriateness of the disposition method. Specifically, we noted the following:

- A. High-value items, which could have been transferred for auction sale, were donated, destroyed, or their disposition was unspecified. We reviewed a sample of 120 unclaimed items (found during November 2024 and January 2025) with final dispositions of donated, destroyed, or undocumented. Our selection focused on electronic devices, high-end

brand items, and other item types that are typically disposed of through auctions. Of the 120 items selected, we identified the following issues:

1. Forty-six (or 38%) of 120 items could have been sold through an auction. These items were similar to the items that were previously auctioned and included headphones, watches, smart watches, AirTags, jewelry, high-end brand purses, wallets, clothes, sunglasses, etc. Thirty-five were donated, seven were destroyed, and four had unspecified disposition. For eight of the 11 items that were either destroyed or had an unspecified disposition, the reason for destruction and the supervisory approval were not documented in the system. The absence of proper documentation increases the risk of unauthorized destruction, misappropriation, or mishandling of items going undetected.
2. Twenty-five (or 21%) of 120 items lacked detailed descriptions, such as brand name and condition. Therefore, we were unable to evaluate the appropriateness of the disposition method applied to these items.

**Figure 7** shows the breakdown of reviewed items found in November 2024 and January 2025 that were donated, destroyed, or had unspecified disposition.

**Figure 7**

**Sampled Items That Were Donated, Destroyed, or had Unspecified Disposition**

Issue	Donated	Destroyed	Unspecified Disposition	Total Number of Items
<b>Could have been sold through an auction</b>	35	7	4	<b>46</b>
<b>Unable to evaluate the reasonableness of the disposition method</b>	20	1	4	<b>25</b>

*Source: Prepared by the Office of the County Auditor with the information provided by BCAD.*

- B. Unclaimed items designated for auction were destroyed without consistently documented reasons in the system and without evidence of supervisory approval. We reviewed a sample of 16 high-value items (such as brand-name items and electronic devices) from the system-generated report of items found during October 1, 2024 through March 31, 2025 with a disposition status of auction. Based on our physical observation, one (or 6%) of the 16 sampled items designated for auction could not be located in the

area assigned for the auction storage. Upon further inquiry, we were informed that this potentially high-value item (a Louis Vuitton purse) was destroyed due to its unsuitable condition for auction, and manager approval was not required for the destruction of items. However, the reason of destruction was not documented in the system, and such a decision was made without supervisory or managerial approval. As a result, there was no adequate assurance that this item was actually destroyed. During the audit, L&F staff began attaching pictures of items to the item records in the system starting in March 2025. However, based on the item 'History' tab in the system, the sampled item was previously destroyed on January 31, 2025 and no picture was attached.

L&F staff also communicated that that the majority of items were handled by a former employee. Some items were not in a suitable condition for resale; or in other cases, the staff did not know whether the item was a brand-name product. Further, according to staff, jewelry items were costume pieces or showed wear and tear. However, these explanations were not documented in the system and therefore could not be verified. Supervisory approval before destroying items is important because it provides oversight, ensures consistency in decision-making, and reduces the risk of errors or inappropriate handling of items for destruction.

Good internal controls require consistent, complete, and accurate item descriptions and itemization to be entered into the system. The lack of documented managerial approval may result in misappropriation or improper disposition of high-value items and lost revenue from auction sales of such items. Inaccurate, incomplete, or generic item descriptions or itemization in the system may lead to an inability to match owner-submitted claims with found items, resulting in a low rate of item return to owners, theft, or inability to verify the reasonableness of the method of item disposition.

- C. We reviewed the L&F written procedures, which require the L&F staff to review an item before the final supervisory decision for discarding or destroying, document the reason for destroying an item, and add a photo of such item to the system record. However, these procedures do not include clear criteria and documentation requirements for determining whether an item should be sold at an auction, destroyed, or discarded. Further, the Supervisor's/Manager's final decision for discarding or destroying items is not required to be documented.

Strong internal controls include detailed and comprehensive written procedures that reflect current practices and provide consistent and sufficient directions for the staff to perform their duties properly. These procedures should also include requirements for supervisory or managerial review and proper documentation of such reviews.

The lack of comprehensive formal written procedures may lead to confusion regarding job responsibilities, inefficiencies, errors in staff's work, and opportunities for misappropriation. This may result in inconsistent processing of items and low rates of item return to owners or loss of revenue from the auction sales.

**We recommend management:**

- A. Ensure unclaimed items are disposed of using an approved and appropriate method based on clearly defined criteria, including whether they should be sold at auction, donated, destroyed, or handled through another authorized process.
- B. Require staff to consistently enter detailed and accurate item descriptions (for example, type of item, color, condition, material, item brand name, as applicable) into the system.
- C. Require documented supervisory/managerial approval before destroying items and consistently include the reason for destruction and photos supporting the decision.
- D. Ensure the L&F written procedures are updated to:
  - 1. Include clearly defined criteria for determining items' disposition method, including auction, donation, destruction, or other approved methods.
  - 2. Require detailed and accurate item descriptions (for example, type of item, color, condition, material, item brand name, as applicable) to be entered into the system consistently.
  - 3. Require documented supervisory/managerial approval before the destruction of items.

**4. Unclaimed Currencies Should be Reconciled Against the System Records and Transferred to BCAD Finance Timely.**

We reviewed transfers of unclaimed currencies from the L&F Office to BCAD Finance, and noted the following:

- A. The L&F Office does not transfer unclaimed currencies to BCAD Finance timely. Specifically, on April 25, 2025, we observed the transfer of unclaimed U.S. currency totaling \$6,205 and various other foreign currencies that were found during October through December 2024. While the U.S. currency was then deposited in the bank within two to three business days, the foreign currencies were not deposited timely, which is discussed further in **Opportunity for Improvement No. 5**.

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BCAD communicated that the L&F Office paused the transfer because the staff noticed that in early 2025 (after the holiday season), the owners of the lost property were still calling for items that were lost in the high travel months of November and December.

However, the L&F written procedures, in Section “Management Controls”, Item F state, “Finance Currency Report – At the end of each quarter the Lost & Found Office Supervisor shall prepare and submit a comprehensive Finance Currency Report (Exhibit 5) detailing all expired and unclaimed currencies to the Finance Division. . . . Upon approval by the Section Manager, two (2) Lost & Found staff members shall sign, date and hand deliver the report along with the funds to the Finance Division. . . .”

Untimely transfers of unclaimed cash to BCAD Finance may increase the risk of loss, theft, or misappropriation.

- B. The L&F Office does not reconcile the unclaimed currencies on hand to the system, where found items and currencies are recorded, before transferring them to BCAD Finance. Specifically, on April 25, 2025, we observed the transfer of the unclaimed currencies that were found in October through December 2024, noting that the supporting documentation was prepared manually and did not include a reconciliation to the system.

During the audit, we also noted that currencies were inconsistently tracked in various fields in the system, which hinders accurate cash identification, reporting, and reconciliation (refer to further discussion in **Opportunity for Improvement No. 10**).

The L&F Manager communicated that she relies on the accuracy of information entered by staff into the system; however, no verification of the cash amount in the system is performed due to the staffing shortage in the L&F Office. If the L&F Manager noted any discrepancies between the amount recorded on a Property Receipt and the amount physically counted during currency transfer preparation, she reviewed the system records for such items and contacted the staff who initially processed items to correct the amount in the system and on Property Receipts.

Good internal controls require reconciliation of physically counted and transferred currencies with the detailed records maintained in the system. These controls should include supervisory review of the reconciliation process. A lack of adequate internal controls over the reconciliation process may increase the risk of accountability gaps and potential misappropriation.

- C. We reviewed the L&F written procedures for requirements in relation to reconciliation of physically counted and transferred currencies with the detailed records maintained in the system, and noted that no such procedures are included.

Good internal controls include detailed, comprehensive written procedures that clearly outline staff responsibilities, supervisory reviews, and documentation requirements, ensuring consistent and sufficient guidance for proper performance of duties.

The lack of comprehensive formal written procedures may lead to confusion regarding job responsibilities, inefficiencies, mistakes in staff's work, and opportunities for misappropriation. This may result in inconsistent processing and loss of unclaimed cash.

**We recommend management:**

- A. Ensure unclaimed currencies are transferred to BCAD Finance timely in compliance with the L&F written procedures.
- B. Establish procedures to reconcile the total cash in the system against the total amount physically counted and transferred to BCAD Finance.
- C. Update the L&F written procedures to include the process for reconciling the total cash in the system against the total amount physically counted and transferred to BCAD Finance.

**5. BCAD Finance Should Deposit Unclaimed Foreign Currencies into the Bank Timely.**

We reviewed unclaimed currencies transferred by the L&F Office to BCAD Finance, and noted that foreign currencies were not deposited timely. Specifically, as confirmed by BCAD Finance, foreign currencies transferred from the L&F Office to BCAD Finance during 2021 through December 2025 remain stored in the BCAD safe and have not been deposited into the bank. As these transfers included various foreign currencies that have not been exchanged, we could not readily determine their U.S. Dollar value. **Figure 8** summarizes information about the foreign currencies transfers by the L&F Office to BCAD Finance and the related deposit status.

**Figure 8**

**Foreign Currencies Transfers by L&F Office to BCAD Finance and Related Deposit Status**

Foreign Currencies Found Period	Transfer from L&F Office to BCAD Finance	Deposit Status as of December 31, 2025
2021 - 2024 (through September 2024)	2021 - 2024	<b>Not Deposited</b>
October - December 2024	April 25, 2025	

*Source: Prepared by the Office of the County Auditor with information provided by BCAD.*

BCAD Finance did not establish procedures or internal controls for handling deposits of foreign currencies. Following our observation of unclaimed currencies transfer in April 2025 and subsequent inquiries, BCAD Finance communicated that, based on their discussion with the County’s Accounting Division, the County does not have an agreement with the bank to accept deposits of foreign currencies. Therefore, they will need to exchange the foreign currencies for U.S. Dollars before depositing the funds with the bank.

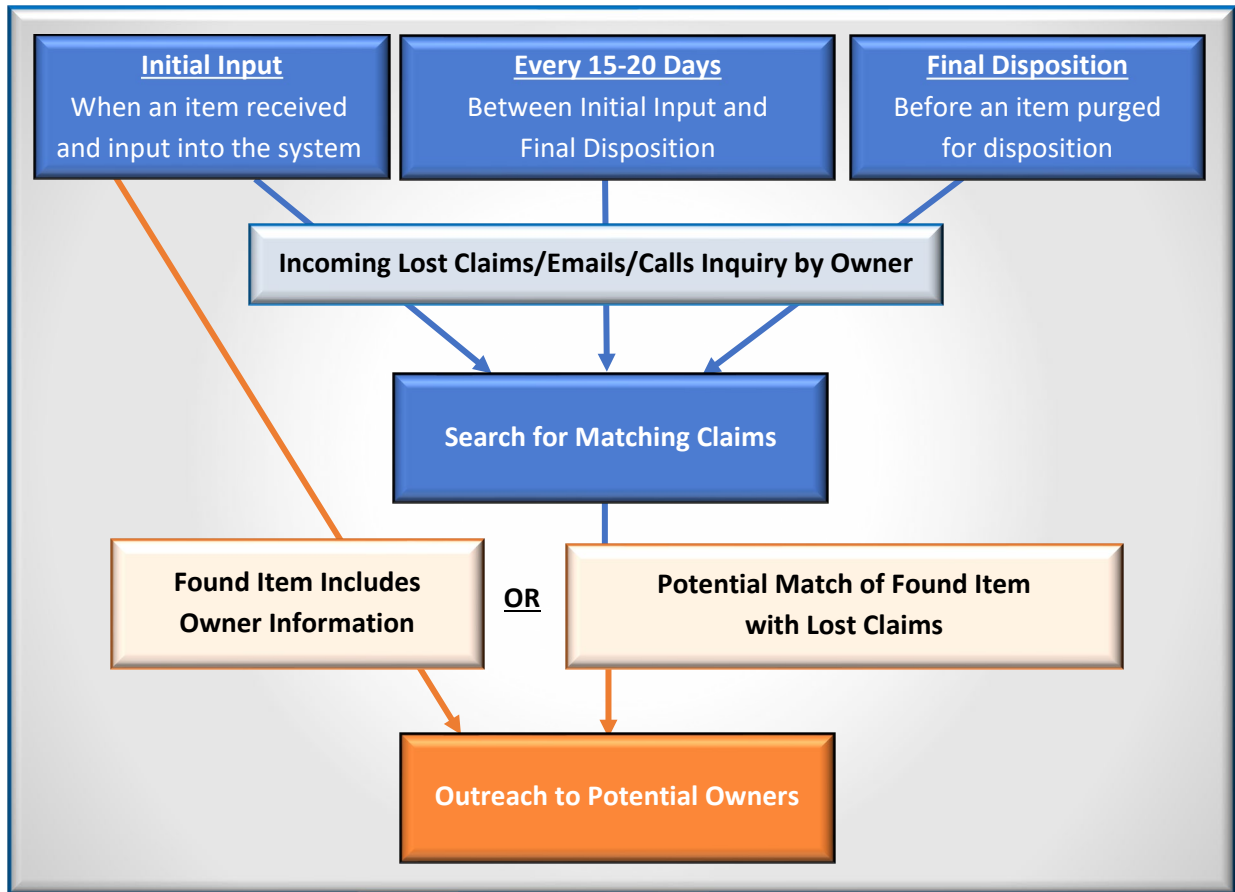
BCAD should establish adequate procedures and internal controls for handling unclaimed foreign currencies to ensure that they are deposited with the bank timely (the same or next business day) after receipt from the L&F Office. Untimely deposits of unclaimed currencies may increase the risk of theft or loss and reduce the potential investment return on funds.

**We recommend management** establish adequate procedures and internal controls for handling unclaimed foreign currencies to ensure that they are deposited with the bank timely.

**6. Timely and Sufficient Searches for Matching Claims and Outreach to Owners Should be Strengthened to Improve Successful Property Returns.**

Searches for matching claims and outreach to owners were not performed timely, sufficiently, or in compliance with procedural requirements. The L&F staff is required to search for matching claims and perform outreach to owners upon the item's initial input into the system, before final disposition, and every 15-20 days between the initial input and final disposition to identify any claims coming in, as shown in **Figure 9**.

**Figure 9**  
**Procedural Requirements for Searches for Matching Claims and Outreach to Owners**



*Source: Prepared by the Office of the County Auditor with the information provided by BCAD.*

We reviewed a sample of 15 Property Receipts for items found in November 2024 and January 2025 that included owner information, but were unclaimed and subsequently sold at auctions. Our review noted the following issues:

- A. For 14 of the 15 sampled items, the searches for claim matches were not performed sufficiently and timely. Specifically, for 14 (or 93%) of the 15 sampled items, searches for claim matches were not performed with a required frequency, as shown in **Figure 10**. While a search for any matching claims was performed upon the item input (initial receipt) and final disposition (for example, auction), there were no searches performed for any incoming claims between the initial input and the disposition.

**Figure 10**  
**Searches for Matching Claims for Sampled Items**  
**Not Performed With a Required Frequency**

Sampled Items	Performed Searches for Claim Matches Sufficiently and Timely		
	Initially, Upon Inputting Items Into the System	Every 15-20 Days Between Initial Input and Final Disposition	Before Final Disposition
<b>Two Searches Performed</b>			
# 1-14	Yes	<b>No</b>	Yes
<b>Three Searches Performed</b>			
# 15	Yes	Yes, but <b>Untimely</b> (1.5 months after the owner's claim submittal)	Yes

*Source: Prepared by the Office of the County Auditor with the information provided by BCAD.*

B. For all 15 sampled items, after a matching claim was identified or if the owner’s information was known, outreach to owners was not performed timely and sufficiently. Specifically, the current requirement specifies at least three searches for owners and outreaches to be performed (including initially upon the item input into the system, before disposal, and every 15-20 days between the initial input and disposition); however, of the 15 items:

- For 11 (or 73%) of the 15 items, there was no evidence or system notes that outreach efforts were performed.
- For three (or 20%) of the 15 items, only one attempt to contact the owner was made upon item entry into the system, two to four days after the found dates.
- For one (or 7%) of the 15 items, two attempts to contact the owner were made, but they did not meet the outreach frequency requirement.

BCAD indicated that due to the staff shortage, procedures have not been fully followed; however, the staff ensure that a search for a matching lost claim is performed before the item disposal.

C. We also noted that the current procedural requirements related to searches for matching claims and outreach to potential owners are not included in the L&F written procedures. Instead, section “Identifying Owners of Personal Property” of the L&F written procedures only includes a general requirement to update the system with the outcomes of

contacting owners whose contact information is known and do not specify the number of attempts to search for matching claims or outreach to potential owners, timelines for searches and outreach, and specific documentation requirements for these activities.

The L&F Manager communicated that since the last quarter of 2024, the L&F staff is required to perform searches for matching claims, conduct outreach to potential owners at the required junctures, and document outcomes in the system.

Failure to conduct timely and sufficient searches for matching claims and outreach to potential owners, and to properly document the search and outreach efforts, may increase the risk of lost property not being returned to its rightful owners and reduce the transparency and accountability in managing L&F items. Further, the lack of comprehensive formal written procedures may lead to confusion regarding job responsibilities, inefficiencies, mistakes in staff's work, and opportunities for misappropriation.

**We recommend management:**

- A. Ensure the L&F staff consistently follow the current requirements and practices related to searches for matching claims and outreach to potential owners, including the number of searches and contact attempts, timelines for searches and outreach, and proper documentation of these activities.
- B. Ensure the L&F written procedures are updated to include the current requirements and practices related to searches for matching claims and outreach to potential owners, including the number of searches and contact attempts, timelines for searches and outreach, and consistent documentation of these activities.

**7. Returns of Items to Owners Should be Timely Processed and Adequately Documented.**

We reviewed the processing of item returns to owners by the L&F staff and noted that some items were not returned timely, and documentation of returns was inadequate. Specifically:

- A. We reviewed a sample of 15 Property Receipts for returned items that were found in November 2024 and January 2025, and noted that four of the 15 items were returned to owners with delays. Specifically, the information entered into the system and on the Property Receipts indicated:

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- For three instances, significant delays occurred in matching Web Lost Claim Forms to found items. Staff identified the matches 58, 63, and 79 days after the respective claims were submitted.
- For one instance, the potential owner's information was known based on the Property Receipt from day one; however, the first attempt to contact was made on day 75 after the item's found date.

**Figure 11** shows the timeline of the actions for the sampled instances of claim processing with significant delays.

**Figure 11**  
**Timeline of the Actions for Sampled Instances**  
**of Claim Processing with Significant Delays**

Number of Instances with Delays	Owner information Known From	Delay (Days) in Match Identification After Owner Information Known
1	Web Submittal	58 days <u>after</u> claim submittal date
2		63 days <u>after</u> claim submittal date
3		79 days <u>after</u> claim submittal date
4	Item Found	75 days <u>after</u> item found date

*Source: Prepared by the Office of the County Auditor with the information provided by BCAD and obtained directly from the 24/7 Software.*

Failure to conduct timely and appropriate searches for found items matching lost claims and potential owners may increase the risk of lost property not being returned to its rightful owners.

**B.** We reviewed system records for a sample of 18 returned items that were found during the period of January 2024 through July 2025, and identified four instances where documentation of their returns was inadequate. Specifically:

- For three instances, neither an authorization nor a justification for pick-up by the airline staff was documented in the system. Therefore, we were unable to verify the appropriateness of the item pick-ups by the airline staff. We noted that these release transactions occurred before the current requirements in the L&F written procedures became effective in February 2025.
- For one instance, the comment in the system stated that an item was released without a signature or a customer ID, but did not specify the reason why the signature was not

obtained, or the customer ID was not presented. We noted that this release transaction occurred after the current requirements in the L&F written procedures became effective in February 2025.

The L&F written procedures include the following requirements:

- Section “Releasing Found Property” states, “When the property is identified with the name and address of an owner, and a description of the property is provided by the owner, the item will be returned to that person. . . . C. Property that has been released must be updated in the database management system notating the disposition of the property by the Lost & Found staff.”
- Section “Owner Designates Authorized Pick Up” states, “A. The owner may designate someone other than themselves to pick up an item. The owner must inform the Lost & Found Office via email or by telephone and provide the authorized person’s name, which will be documented in the database management system in the notes section of the claim.”

The lack of consistent documentation of the item releases, including approvals to release, owner verification, and pick-up authorization, may reduce accountability and increase the risk of misappropriation.

- C. We noted that the L&F written procedures do not require documentation of how the ownership verification was performed when the property is not identified with the name and address of an owner, and do not specify what should be documented upon performing the item release, and in what data field in the system. Our review of system records identified inconsistent documentation regarding how ownership verification was performed by the L&F staff.

The lack of comprehensive, detailed, up-to-date written procedures for item releases may lead to inconsistent practices, noncompliance with internal requirements, unauthorized release of items, and potential loss or misappropriation of items.

**We recommend management:**

- A. Standardize requirements for consistent documentation of item releases, including how the ownership was established, the basis for release to individuals other than the validated owners, and where such information should be recorded in the system.
- B. Ensure the L&F written procedures are updated to standardize requirements for consistent documentation of the item releases, including how the ownership was

established, the basis for release to individuals other than the validated owners, and where such information should be recorded in the system.

## **8. Storage Spaces for Found Items Should be Sufficient, Secure, and Organized to Safeguard Property and Increase Operational Efficiency.**

During the audit, we performed physical observations at the L&F Office premises and noted that:

**A.** The L&F Office lacks sufficient and proper storage space for property. During our physical observations at the L&F Office premises in January and April 2025, as referenced in **Opportunity for Improvement No. 2**, we noted that:

- High-value items separated from their Property Receipts for auction preparation are no longer tracked in the system and are stored in locations that are not adequately secured. These items were stored in open boxes in the employee breakroom, which lacks a lock and has no CCTV camera inside the room. Although the main office space has a CCTV camera covering the breakroom entrance, there is no camera to monitor activities inside the breakroom, where auction items, including high-value items, remain stored there for months.
- The storage room #2 is used to hold oversized items and boxes of auction items; however, the signage on the door states “No storage.” In addition, although the room is locked with a physical key, it is not adequately secured because it lacks CCTV coverage and does not have a digital Matrix system (the Airport-wide access system) keypad to track access through badge scans.
- In the main office space, where employees work, and the public enters to pick up their property, found items are continuously stored in the dedicated unlocked cabinets and the coat rack, and temporarily stored under the desks in the employees' working spaces, on and under the counters, and in bins.

**Figure 12** shows photos of the L&F Office premises.

**Figure 12**  
**L&F Office Premises**

Main Office Space/Pick-up Area



Breakroom



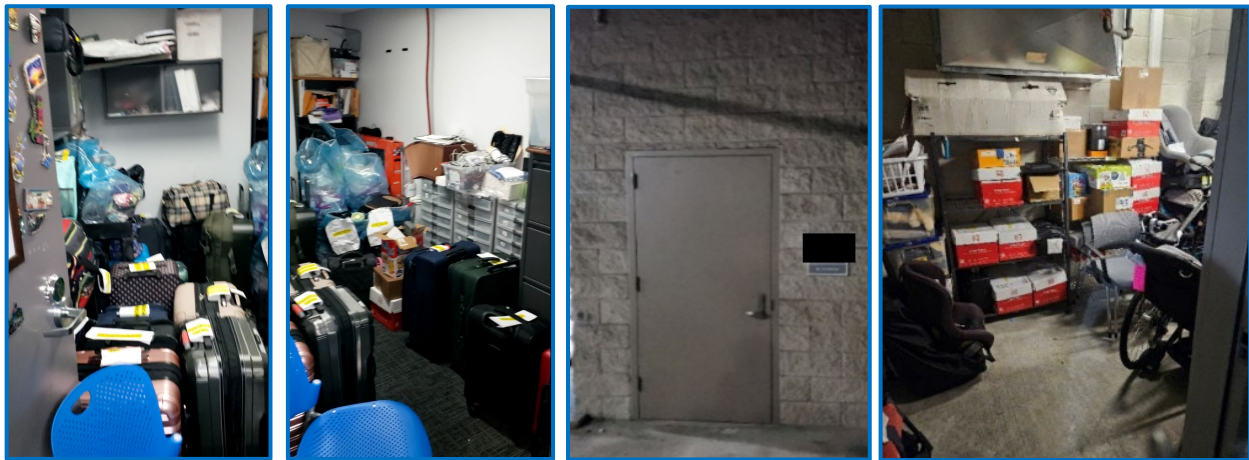
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Storage Room #1



Overflow Storage Room

Storage Room #2 \*



**Source:** Pictures taken by the Office of the County Auditor during physical observations.

**Note:** \* The signage for the storage room #2 has been partially redacted.

- B. We performed a physical observation of a sample of 21 high-risk 'current/not-expired' items, including brand-name merchandise, jewelry/watches, electronic devices, items containing Personal Identification Information (PII), medical devices, based on a system-generated report of items found between March 23 and April 22, 2025. We noted that 17 (or 85%) of the 21 sampled items were stored in unlocked cabinets within the main office space and in an overflow room accessible from the main office space. While the main office space has CCTV coverage, the area is accessible to the public when redeeming items, and to certain non-L&F staff, including Terminal Agents, who have access when the L&F staff are not present.

The L&F Manager explained that the staff uses any available space within the limited premises. However, inadequate storage space for the current items may cause a backlog of items, make it

difficult for staff to retrieve lost items efficiently, and/or lead to misappropriation. Storing items in unsecured areas, including in areas available to the public or lacking access controls or a CCTV camera, may further increase the risk of misappropriation. Additionally, disorganized storage under the counters and desks could lead to a loss of items and the inability to match found items to the owners' claims.

**We recommend management** ensure that the storage spaces for found items handled by the L&F Office are sufficient, secure, and organized to safeguard property and minimize the risk of loss or misappropriation.

### 9. The L&F Office Staffing Needs Improvement.

As previously discussed, BCAD indicated that certain portions of the L&F written procedures and requirements are not being fully or consistently followed due to staffing shortages. For Fiscal Year (FY) 2025, the staffing for the L&F Office was budgeted for three full-time staff positions (two Customer Service Representatives and one Customer Relations Specialist), two part-time staff positions, and a Manager who dedicates approximately half of her time to the L&F Office. However, only two of the three full-time staff positions were filled in FY 2025. One full-time and two part-time staff positions became vacant during FY 2025 and remain unfilled. BCAD communicated that two temporary staff were engaged from time to time, and there were no changes in the budgeted positions for FY 2026.

The number of budgeted and filled positions by position type for FY 2025 is shown in **Figure 13**.

**Figure 13**  
**The Number of Budgeted and Filled Positions by Position Type for FY 2025**

Position Type	Title	Budgeted Positions	Filled Positions
Full-Time	Customer Relations Specialist	1	1
	Customer Service Representatives	2	1
Part-Time	Customer Service Representatives	2	0
Total		5	2

*Source: Prepared by the Office of the County Auditor with information obtained from BCAD.*

BCAD indicated that hiring and retaining proficient staff for entry-level positions in the available job classes with low pay is challenging. After applying for the open part-time positions, applicants seek to transition to full-time positions with higher pay.

Good internal controls would include adequate staffing. The lack of sufficient and skilled staff may result in inefficient and ineffective operations, including limited owner search and outreach efforts, delayed searches for matching lost claims and found items, delayed disposition and returning of items, inadequate documentation, and ineffective and unreliable internal controls over the L&F process.

**We recommend management** consider reviewing and adjusting job classes for the L&F positions to recruit and retain sufficient staff, ensuring efficient operations and adequate internal controls.

### **10. System Used to Track L&F Activities Should be Improved to Better Support Operations and Strengthen the Management Review Process.**

As noted in the **Background**, the L&F Office uses the 24/7 Software (system) for tracking the found items, lost claims submitted online, and release of claimed items or other applicable methods of disposition for unclaimed items. Broward County Aviation Department (BCAD) administers the contract with 24/7 Software, Inc.

We reviewed the reports available from the system and the information recorded in the system, and noted that the system has the following limitations:

- A.** There were limited reports available in the system. Initially, the system did not allow for the generation of reports/logs except for the 'Found Items' (information about found items that were not returned yet), and 'Lost Items' (unmatched Web Lost Claim Forms submitted by owners online). Subsequent to our inquiry made during the audit, the 'Claimed Items' report (information about found items that were claimed and returned) became available. The 'Claimed Items' report is important because it documents all items returned to their rightful owners, ensuring accountability and transparency in the L&F process. It would also serve as a key internal control to prevent misappropriation and provide evidence of proper handling of returned items.

In addition, the system does not generate reports necessary for the managerial review of the following areas:

- The L&F Manager manually compiles a schedule of the amounts of currencies for transfers to BCAD Finance. A report tracking and tallying amounts of currencies is not available in the system.
- 'Red flag' information on improper item changes/modifications made by the staff is not readily available in the system.

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- The information pertaining to operational results (such as the number of items received from different sources, the number of items purged in the system as part of preparation for the disposition, etc.) is tracked by the L&F staff manually and reported to the L&F Manager daily, monthly, and annually. Such information cannot be obtained from or reconciled to the system records.
- B.** There were limited fields in the 'Found Items' report. The system-generated 'Found Items' report either does not display or displays inconsistently with the following information in various field(s):
- The information and dates of the search for and outreach to potential owners were recorded inconsistently in the system. Currently, it is inconsistently recorded in the 'Comments' field, which is a field not included on the report, and the 'Internal Notes' field.
  - Names of staff who entered, modified, and released items, along with the corresponding system-tracked dates and resulting item status changes, are not included on the report or are tracked inconsistently. While this information exists within each item's 'History' tab (which is not shown on the reports), it is inconsistently added by the staff in other fields.
- C.** There was a lack of separate dedicated fields and standardized data entry in the system for tracking the following areas:
- Currencies were inconsistently tracked in various fields in the system. Currently, the information about the currencies (description and amounts) is recorded with other information in various fields of the system and described inconsistently, which hinders accurate cash identification, reporting, and reconciliation. **Figure 14** shows examples of inconsistent cash tracking in the system.

Further, as we noted in **Opportunity for Improvement No. 4.B**, the reconciliations of physical cash to the system are not performed.

**Figure 14**  
**Examples – Inconsistent Tracking of Cash in the System**

**Example 1 - Currency Found in a Purse**

1. Cash tracked in 'Item Description' & 'Internal Notes' (but not in 'Item Name').
2. Category is 'Purse' (not 'Cash').

**Example 2 - Loose Currency**

3. Cash tracked in 'Item Name' and 'Internal Notes' (but not in 'Item Description').

**Source:** Obtained directly from the 24/7 Software.

**Notes:** Individual names and initials have been redacted.

Red boxes were added by the Office of the County Auditor to demonstrate the inconsistencies.

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- Potential owner information was tracked inconsistently in various fields within the system. Currently, the information about potential owners is tracked with other information in the 'Item Name' or 'Item Description' fields.
- Claimant/owner and persons authorized to pick up were tracked inconsistently within various fields in the system. Currently, but inconsistently, persons authorized to pick up are noted either in the 'Internal Notes' field of the Lost Claim item, or after their pickup, they are noted in the 'Comments' field of the related Found Item Details.
- Dates when an item was entered, disposed of, or returned were tracked inconsistently or not shown on the system report. Currently, dates are tracked in the 'History' tab of each item (which is not shown on the reports), 'Internal Notes' (but included inconsistently), and 'Claimed Item' records ('Comments' field within the 'Found Item' section).
- Supervisory/Managerial approvals are not documented. Supervisory/Managerial reviews and approvals are not documented in the system or Property Receipts, when applicable.

**D.** The system's automatic matching function does not facilitate the L&F searches for matching claims. The system identifies high volumes of potential matching lost claims for all items, which requires extensive time for staff to verify each potential match.

BCAD communicated that they do not generate reports from the system for managerial review. The L&F Manager has 24/7 access directly to the system and can check the system when it is needed; however, an improvement of the system functionality to make information more readily available in real-time and save staff time on manual reporting would be helpful. Also, staff indicated that when cash is found in a bag or wallet, the item is categorized as a bag or wallet, with the notes containing inconsistent descriptions of 'cash' being input into various fields in the system. Further, the L&F staff explained that it is faster to manually search Found Items in the system using claim information than to verify a high volume of potential matches for each Found Item. BCAD management also indicated that they are currently working on a Request for Proposal for the procurement of a new system.

Strong internal controls should include system capabilities that support daily operations, streamline processes, and enable effective management review. Additionally, they should ensure that data is clear, consistent, and accurate to facilitate effective workflows and produce robust and reliable reports. To enable such controls, the comprehensive written procedures should include standardized requirements for entry of consistent and detailed item information in the appropriate fields within the system.

Limited system capabilities may result in inefficient and ineffective operations and limit management oversight. In addition, inconsistent item information entered into the system makes identifying cash, generating reports, and reconciling physical cash to system records a cumbersome and inefficient process. This may lead to reduced accountability and increased risk of misappropriation.

**We recommend management** address the system limitations and inconsistent data entry practice noted above to better support the L&F operations and strengthen the management review process through:

- A. Working with the system vendor to expand the current system's capabilities, if feasible.
- B. Ensuring that item information used for searches for matching claims and outreach to owners is consistently entered in the appropriate fields within the system.
- C. Ensuring that critical system requirements, including but not limited to the areas discussed above, are included in the Request for Proposal specifications for a new system, as applicable.

### **11. Detailed and Accurate Found Item Descriptions Should be Consistently Entered Into the System to Enhance L&F Process Effectiveness and Efficiency.**

We tested a sample of 21 high-risk current items from the system-generated report of current items found during March 23 through April 22, 2025, by performing an unannounced physical observation. As a result of the observation, we noted that for two (or 10%) of the 21 items, incomplete, inaccurate, or very general descriptions of the items and/or their contents were entered into the system:

- For one, not all of the items found in a purse were documented and recorded. Specifically, a credit card from the purse and a few other cards were not itemized on the related Property Receipt or in the system.
- An iPad was entered into the system without a serial number, which is required by the written procedures. We further reviewed information entered into the system for current items found during March 23 through April 22, 2025 with iPads, noting that for 11 (or 73%, including the one aforementioned) of the total 15 such items, serial numbers were not entered.

As previously discussed in **Opportunity for Improvement No. 3**, due to insufficient item details, we were unable to evaluate the appropriateness of the disposition method for unclaimed items.

Additionally, we reviewed the L&F written procedures for requirements in relation to data entry upon the item receipt and entry into the system, and noted that the guidelines are general and only require a serial number to be entered for electronic devices under 'Internal Notes'.

Good internal controls require consistent, complete, and accurate found item descriptions and itemization to be entered into the system. Inconsistent, inaccurate, incomplete, or generic item descriptions or itemization in the system may lead to an inability to match owner-submitted claims with found items, potentially contributing to the currently low rate of items returned to owners, or establishing the adequacy of the method of unclaimed item disposition.

**We recommend management:**

- A. Ensure the L&F staff consistently enter detailed and accurate item descriptions (such as model, series, serial number, etc.) into the system.
- B. Update the L&F written procedures to require the staff to enter defined and detailed item descriptions (such as model, series, etc.) into the system consistently.

**12. The L&F Written Procedures Should be Further Enhanced to Include Comprehensive Requirements and Detailed Guidelines.**

We reviewed the L&F written procedures, revised on February 11, 2025, noting that they do not reflect some of the current practices, requirements, and process phases, and some procedures need additional details for employees to perform their job responsibilities consistently. In addition to the issues that were discussed in the previous Opportunities for Improvement, the following sections of the L&F written procedures also need updates:

- 1. "Receiving Found Property During Lost & Found Business Hours"  
This section of the written procedures is silent regarding whether items considered to be trash during their receiving and discarded by the L&F staff are required to be notated as such on the Property Receipt (PR) or in the system.
- 2. "Releasing Found Property"  
Currently, a Terminal Supervisor needs to initial a PR when an item with cash over \$200 is released; however, this section of the written procedures does not reflect this practice.
- 3. "Return/Release of Found items during non-business hours"  
This section of the written procedures does not specify who (the staff or the pick-up person) is required to enter a required notation "indicating monies were left behind" on the PR.

4. “Owner Designates Authorized Pick up”

This section of the written procedures is silent regarding what types of identification documents (such as an employer-issued badge or a personal ID) should be verified by the L&F staff for releases to the shipping company staff.

5. “Owner Requests for Delivery of Claimed Property”

This section of the written procedures does not specify how the L&F staff is to deliver an item with a pre-paid owner-provided shipping label to the owner-requested shipper.

6. “Disposing of Expired Items”

This section of the written procedures does not specify what steps to follow when the auction company representative arrives for pickup. Such steps would include who is responsible for ensuring that the listed items are accurate before release.

During the audit, we noted that, since the current L&F Manager took over the L&F Office, she has revised the L&F written procedures for situations that were encountered as part of operations and for which an immediate need existed to be reflected in the procedures. However, additional procedures and requirements are identified to further enhance the L&F written procedures.

Good internal controls include detailed, comprehensive written procedures to reflect current practices and provide consistent and sufficient directions for the staff to perform their duties properly, including management review procedures and their documentation. The lack of comprehensive formal written procedures may lead to confusion regarding job responsibilities, inefficiencies, mistakes in staff’s work, and opportunities for misappropriation. This may result in inconsistent processing of items and low rates of item return to owners.

**We recommend management** ensure the L&F written procedures are further enhanced to align with the current L&F Office practices and expand to provide consistent and sufficient formal instructions to the staff to perform their duties, including incorporating the above considerations.

**13. Written Notices by Certified Mail Should be Sent to the Owners (if Known) Before Selling Items at Auction.**

We noted that the L&F staff does not send written notices via certified mail to the potential owners (if known) before selling items at auctions, as required by the Florida Statutes. This is particularly critical when the potential owner’s identity and mailing address are known or reasonably ascertainable, and the items remain unclaimed after proper outreach efforts have been performed during the required holding period.

As communicated by BCAD, if the potential owner's email is known, the L&F staff generally notifies the potential owner upon receiving Found Items (within 30 days of the found date) and prior to transferring to the auction vendor. The auction vendor confirmed that they published a notice in the publication of general circulation within Broward County, as required by the Florida Statutes. However, after 30 days, when items are transferred to the auction contractor, no written notices are mailed to owners with known addresses.

However, Florida Statutes require written notice, via certified mail. Specifically, Section 705.182 (4), Florida Statutes, requires, "If the airport elects to sell the property under paragraph (2)(d), the property must be sold at a public auction either on the Internet or at a specified physical location after giving notice of the time and place of sale, at least 10 calendar days prior to the date of sale, in a publication of general circulation within the county where the airport is located and after written notice, via certified mail, return receipt requested, is provided to the owner, if known..."

Failure to send a written notice before selling an item when the potential owner's identity and mailing address are known or reasonably ascertainable results in non-compliance with the Florida Statutes and may expose the County to potential legal claims by owners.

**We recommend management:**

- A. Establish internal controls to ensure that written notices, via certified mail, are sent to potential owners (if known) before auction, as required by the Florida Statutes.
- B. Ensure the L&F written procedures are updated to include this requirement.

**14.The Contract for Auction Services Should be Amended to Expand the Data Sanitation Requirements to All Electronic Devices.**

The contract between the County and the auction contractor for the Surplus Disposal and Auctioneering Services (auction services) should be amended to align its terms to include all relevant types of electronic devices. We reviewed the contract, which is administered by the County's Purchasing Division (Contract Administrator), noting that the requirements for preparation of electronic items for sale are limited to wiping of computer hard drives, whereas electronic devices transferred by the L&F Office to the auction contractor also include tablets/iPads, cell phones, etc.

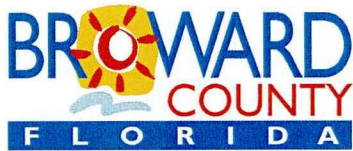
The Section of "Specifications and Requirements", K.5 of the Final Solicitation / Bid Packet in the auction services contract states that "Contractor must wipe computer hard drives utilizing a method approved by the County per Section H, refer to the EPA [the U.S. Environmental

Protection Agency]: Electronic Recycling Standards, at no additional cost.”, which does not include the language of all relevant types of electronic devices that were transferred by the L&F Office. Although the auction contractor confirmed that its current data sanitization procedures cover computer hard drives and other data storage devices, the contract should be amended to explicitly include such requirements.

Good business practices include adequate contract requirements that reflect current business practices, clearly defining mutual obligations enforceable by law, and providing constructive ways to handle potential disagreements. Outdated contract terms and requirements, or lack thereof, may result in disagreement in relation to obligations, excess spending, and non-compliance with applicable regulations.

**We recommend management** require the Purchasing Division (Contract Administrator) to amend the contract to expand the data sanitation requirements to all electronic devices with data-storage capability, instead of limiting them to computer hard drives as specified in the current contract.

# MANAGEMENT'S RESPONSE




ISAMI AYALA-COLLAZO, Assistant County Administrator

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## MEMORANDUM

TO: Robert Melton, County Auditor

FROM: Isamí Ayala-Collazo, Assistant County Administrator 

DATE: April 21, 2026

SUBJECT: Management Response to Office of the County Auditor's  
Audit of the Lost and Found (L & F) at the Fort Lauderdale-Hollywood  
International (FLL) Airport

Thank you for the opportunity to provide Management's Response to the Office of the County Auditor's Report on the Audit of Lost and Found at the Fort Lauderdale-Hollywood International Airport. The Broward Aviation Department (BCAD) staff and County Administration (together referred to as Management) have reviewed the recommendations in the audit report. In summary, Management concurs with the Auditor's overall conclusion that the Lost and Found practices at the Fort Lauderdale-Hollywood International Airport (FLL) generally comply with the applicable policies, procedures, and regulations. Management further acknowledges that there are opportunities for improvement proposed for consideration, several of which have been implemented or are in the process of being implemented.

It must be noted that during the period referenced by the Auditor in Figure 3 of the Report, BCAD received an average of 14,566 items annually. Many of these items are pieces of baggage containing numerous personal belongings, significantly increasing the total number of individual items entering the Lost and Found office.

Updated policies and procedures were implemented in February 2025 and continue to be revised based on the audit recommendations. Best practices from other airports are being obtained to ensure ongoing compliance and operational improvement.

Below please find detailed responses to each of the Auditor's opportunities for improvement and recommendations.

Broward County Board of County Commissioners

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Opportunity for Improvement 1: Management Oversight of Lost and Found Needs Improvement.

**Auditor's Recommendations and Management's Responses:**

**1.A.** Enhance management oversight of L&F practices in areas noted in this report, including the documentation of management review and approval.

***Response: Management concurs and implementation of the recommendation is in progress.*** BCAD has transferred the day-to-day direct oversight of Lost and Found from a supervisor-level position to an airport manager-level position who reports directly to the Operations Division Director. The airport manager will continue to update and strengthen the Lost and Found procedures. In addition, BCAD will implement a practice requiring the airport manager to provide monthly reports to the Division Director on Lost and Found operations, including any procedural changes made in response to the recommendations outlined in the audit report. These monthly reports will also be provided to the Aviation Chief Operating Officer for Executive-level oversight.

**1.B.** Perform periodic verifications of the physical existence of items in the L&F storage against system records. Such verifications should be performed on a surprise basis by management or individuals who are not directly involved in the processing of L&F items.

***Response: Management concurs.*** BCAD will implement monthly checks to verify the physical existence of items in the Lost and Found storage against system records. These checks will be coordinated by the airport manager who oversees the day-to-day Lost and Found operation and will include an internal self-auditing process to ensure that procedural changes made in response to the recommendations outlined in the audit report are being followed.

Opportunity for Improvement 2: Unclaimed Items Transferred to Auction Should be Processed Timely, Adequately Tracked, and Reconciled to Revenues Received.

**Auditor's Recommendations and Management's Responses:**

**2.A.** Ensure that the transfers of unclaimed items to the auction contractor are performed timely.

***Response: Management concurs and implementation of the recommendation is in progress.*** BCAD has taken immediate actions (e.g., secondary processing) to eliminate backlogs and ensure that unclaimed items are processed in a timely manner. Peak periods such as holidays, cruise season, and

spring break result in increased volumes of lost items, which may require additional processing times. BCAD will plan accordingly for said peak periods.

**2.B.** Ensure that the L&F Office uses proper item disposition forms to clearly document each type of disposition, use the relevant Florida Statutes language on the form, and include sufficient information for reconciliation/traceability of disposed items to the system.

***Response: Management concurs and the recommendation has been implemented.*** BCAD will utilize the proper item disposition forms. The forms have been updated to better define and clearly document the disposition of items.

**2.C.** Ensure the auction contractor provides reconciliation reports, and when requested by BCAD, underlying documentation for appraisals by a qualified appraiser(s), in compliance with the County's contract with the auction contractor.

***Response: Management concurs.*** BCAD utilizes a countywide contract for auction services. BCAD will work with the Purchasing Division and the Contract Administrator to ensure that the auctioneer complies with all contractual obligations.

**2.D.** Perform periodic reviews of the auction contractor's reconciliation reports and supporting documentation to verify whether the revenue received is reasonable.

***Response: Management concurs.*** BCAD utilizes a countywide contract for auction services. BCAD will work with the Purchasing Division and the Contract Administrator to ensure that the auctioneer complies with all contractual obligations. Reports received from the auctioneer will be reviewed for contract compliance and, where appropriate, subject matter experts will be consulted to assess the reports for reasonableness.

**2.E.1.** Ensure the L&F written procedures are updated to include an appropriate timeline for transferring unclaimed items to the auction contractor.

***Response: Management concurs and the recommendation has been implemented.*** BCAD has communicated with the contractor. Policies and procedures will be updated accordingly.

**2.E.2.** Ensure the L&F written procedures are updated to require reviews of the auction contractor's reconciliation reports and supporting documentation for reasonableness, including comparisons between items transferred and items sold or destroyed by the auction contractor, and verification of disposition values based on the appraisals by a qualified appraiser(s).

***Response: Management concurs.*** BCAD will work with the Purchasing Division and the Contract Administrator to ensure that the auctioneer complies with all

current contractual obligations and policies, and that procedures are updated accordingly.

Opportunity for Improvement 3: Sufficient Controls and Oversight are Needed to Ensure that Unclaimed Items Suitable for Auction are Handled Appropriately

**Auditor's Recommendations and Management's Responses:**

**3.A.** Ensure unclaimed items are disposed of using an approved and appropriate method based on clearly defined criteria, including whether they should be sold at auction, donated, destroyed, or handled through another authorized process.

***Response: Management concurs and the recommendation has been implemented.*** BCAD has established a process to effectuate this recommendation. BCAD will also research other airports for best practices and apply as applicable.

**3.B.** Require staff to consistently enter detailed and accurate item descriptions (for example, type of item, color, condition, material, item brand name, as applicable) into the system.

***Response: Management concurs and the recommendation has been implemented.*** BCAD has established a process to effectuate this recommendation. BCAD staff have been trained to use detailed and accurate item descriptions when entering items in the system; and examples of standardized wording have been provided to promote and maintain consistency when entering descriptions.

**3.C.** Require written supervisory/managerial approval before destroying items and consistently include the reason for destruction and photos supporting the decision.

***Response: Management concurs and the recommendation has been implemented.*** BCAD has established a process to effectuate this recommendation.

**3.D.1.** Ensure the L&F written procedures are updated to include clearly defined criteria for determining items' disposition method, including auction, donation, destruction, or other approved methods.

***Response: Management concurs and implementation of the recommendation is in progress.*** BCAD has established a process to effectuate this recommendation. The written policy and procedure will be updated accordingly in the next 60 days.

**3.D.2.** Ensure the L&F written procedures are updated to require detailed and accurate item descriptions (such as item brand names, type of jewelry items, condition, etc.) to be entered into the system consistently.

***Response: Management concurs and the recommendation has been implemented.*** BCAD has established a process to effectuate this recommendation. BCAD employees have been trained to use detailed and accurate item descriptions when entering items into the system. Examples of standardized wording have also been provided to promote and maintain consistency in item descriptions.

**3.D.3** Ensure the L&F written procedures are updated to require documented supervisory/managerial approval before the destruction of items.

***Response: Management concurs and the recommendation has been implemented.*** BCAD has established a process to implement this recommendation.

Opportunity for Improvement 4: Unclaimed Currencies Should be Reconciled Against the System Records and Transferred to BCAD Finance Timely.

#### **Auditor's Recommendations and Management's Responses:**

**4.A.** Ensure unclaimed currencies are transferred to BCAD Finance timely in compliance with the L&F written procedures.

***Response: Management concurs and the recommendation has been implemented.*** BCAD has established a process to effectuate this recommendation. BCAD will also research other airports for best practices and apply as applicable.

**4.B.** Establish procedures to reconcile the total cash in the system against the total amount physically counted and transferred to BCAD Finance.

**4.C.** Update the L&F written procedures to include the process for reconciling the total cash in the system against the total amount physically counted and transferred to BCAD Finance.

***Response to 4.B and 4.C: Management concurs and implementation is in progress.*** BCAD is updating its policies and procedures to include a reconciliation process. BCAD is preparing a solicitation to identify qualified companies who can provide a system to track found items, including a mechanism to track currency, to enhance and support the airport's Lost and Found operations. The goal of this solicitation is to improve service efficiency, strengthen item tracking and

accountability, and elevate the overall customer experience through the use of technology and other innovative solutions. While the solicitation is underway, BCAD will implement an internal self-audit process to track, verify and manage currency received and entered in the system.

Opportunity for Improvement 5: BCAD Finance Should Deposit Unclaimed Foreign Currencies into the Bank Timely.

**Auditor's Recommendations and Management's Responses:**

**5.A.** Establish adequate procedures and internal controls for handling unclaimed foreign currencies to ensure that they are deposited with the bank timely.

***Response: Management concurs and implementation of the recommendation is in progress.*** BCAD has implemented corrective actions to improve the handling and tracking of foreign currency. Foreign currency conversion services have been added to our existing Wells Fargo agreement, giving BCAD an additional formal option for converting supported currencies and strengthening internal controls.

Specifically, once funds are received from Lost and Found, BCAD Finance reviews, converts (when applicable), and prepares deposits within 24–48 hours. Because Wells Fargo and our currency-exchange partner accept overlapping currencies and do not accept coins, BCAD conducts an eligibility review. Any bills or coins that cannot be converted are securely stored in the safe while we evaluate alternative solutions.

BCAD Finance is also updating internal control procedures (to be completed in the next 60 days), which will be incorporated into the BCAD Finance Lost and Found Currency Handling Process. These updates will cover intake, documentation, inventory management, reconciliation, conversion workflow, and deposit processing for both foreign and U.S. currency.

Opportunity for Improvement 6: Timely and Sufficient Searches for Matching Claims and Outreach to Owners Should be Strengthened to Improve Successful Property Returns.

**Auditor's Recommendations and Management's Responses:**

**6.A.** Ensure the L&F staff consistently follow the current requirements and practices related to searches for matching claims and outreach to potential owners, including the number of searches and contact attempts, timelines for searches and outreach, and proper documentation of these activities.

***Response: Management concurs.*** BCAD staff will be reminded to make every effort to identify the rightful owner of lost property and promptly make contact and properly document those activities. It has been BCAD's experience that some owners decline to retrieve their property due to the value of the item(s) or the cost of having the items shipped to their location. These instances are properly documented and may contribute to the appearance of a higher percentage of unreturned items.

**6.B.** Ensure the L&F written procedures are updated to include the current requirements and practices related to searches for matching claims and outreach to potential owners, including the number of searches and contact attempts, timelines for searches and outreach, and consistent documentation of these activities.

***Response: Management concurs.*** BCAD will update the policies and procedures (in the next 60 days) and properly document those activities. BCAD staff will be reminded to make every effort to contact owners when identification or contact information is available. Staff also use publicly available online resources to help locate and contact potential owners to reunite items with their rightful owners. When information reported by an owner is incomplete, or when a specific claim number is not provided, a more detailed response may be delayed. Additional information is often required to ensure that property is returned to the correct individual, and BCAD may request further details before proceeding with a specific claim.

Additionally, BCAD is preparing a solicitation to identify qualified companies who can provide a system to track found items, including a mechanism to track currency, to enhance and support BCAD's Lost and Found Operations. The goal of this solicitation is to improve service efficiency, strengthen item tracking and accountability, and elevate the overall customer experience through the use of technology and other innovative solutions.

Opportunity for Improvement 7: Returns of Items to Owners Should be Timely Processed and Adequately Documented.

### **Auditor's Recommendations and Management's Responses:**

**7.A.** Standardize requirements for consistent documentation of item releases, including how the ownership was established, the basis for release to individuals other than the validated owners, and where such information should be recorded in the system.

***Response: Management concurs and the recommendation has been implemented.*** BCAD has established a procedure to effectuate this recommendation. BCAD staff will be reminded to make every effort to contact

owners when identification or contact information is available. Staff also use publicly available online resources to help locate and contact potential owners to reunite items with their rightful owners. When information reported by an owner is incomplete, or when a specific claim number is not provided, a more detailed response may be delayed. Additional information is often required to ensure that property is returned to the correct individual, and BCAD may request further details before proceeding with a specific claim.

Additionally, BCAD is preparing a solicitation to identify qualified companies who can provide a system to track found items, including a mechanism to track currency, to enhance and support the airport's Lost and Found operations. The goal of this solicitation is to improve service efficiency, strengthen item tracking and accountability, and elevate the overall customer experience through the use of technology and other innovative solutions.

**7.B.** Ensure the L&F written procedures are updated to standardize requirements for consistent documentation of the item releases, including how the ownership was established, the basis for release to individuals other than the validated owners, and where such information should be recorded in the system.

***Response: Management concurs.*** BCAD will update the policies and procedures and properly document those activities. Updates are anticipated to be completed (by Summer 2026).

Opportunity for Improvement 8: Storage Spaces for Found Items Should be Sufficient, Secure, and Organized to Safeguard Property and Increase Operational Efficiency.

#### **Auditor's Recommendations and Management's Responses:**

**8.A.** Ensure that the storage spaces for found items handled by the L&F Office are sufficient, secure, and organized to safeguard property and minimize the risk of loss or misappropriation.

***Response: Management concurs.*** BCAD acquired additional space in February 2026 for items that have gone unclaimed and unmatched. This area is utilized for the storage of these items and is where BCAD staff prepares for the disposal, donation, or the sale of items at auction in accordance with Florida Statutes. BCAD has CCTV cameras that oversee operation within the Lost and Found office. Additionally, BCAD uses a card access control system that records who enters the office. CCTV records where items are inducted and stored. All areas where lost and found items are stored are secured using one or more security measures including CCTV monitoring, matrix boxes, cyber locks, or traditional lock-and-key

mechanisms. The general office area is currently being evaluated to improve layout efficiency and optimize the flow of the lost and found processes. This review will help ensure that workstations, storage areas, and customer-service functions are arranged in a manner that supports accuracy, productivity, consistency, and overall operational effectiveness.

Opportunity for Improvement 9: The L&F Office Staffing Needs Improvement.

**Auditor's Recommendations and Management's Responses:**

**9.A.** Consider reviewing and adjusting job classes for the L&F positions to recruit and retain sufficient staff, ensuring efficient operations and adequate internal controls.

***Response: Management concurs.*** BCAD is working with its Human Resources staff to review staffing vacancies and ensure the Lost and Found Office is staffed appropriately with positions that carry a corresponding level of authority.

Opportunity for Improvement 10: System Used to Track L&F Activities Should be Improved to Better Support Operations and Strengthen the Management Review Process.

**Auditor's Recommendations and Management's Responses:**

**10.A.** Address the system limitations and inconsistent date entry practice to better support the L&F operations and strengthen the management review process through working with the system vendor to expand the current system's capabilities, if feasible.

***Response: Management concurs.*** BCAD is actively seeking alternate solutions, including the potential use of Artificial Intelligence (AI), to streamline matching lost items to potential claimants. Additionally, BCAD is preparing a solicitation (RFP) to identify qualified companies who can provide a system to track found items, including a mechanism to track currency, to enhance and support the airport's Lost and Found operations. The goal of this solicitation is to improve service efficiency, strengthen item tracking and accountability, and elevate the overall customer experience through the use of technology and other innovative solutions.

**10.B.** Address the system limitations and inconsistent date entry practice [...] to better support the L&F operations and strengthen the management review process through

ensuring that item information used for searches for matching claims and outreach to owners is consistently entered in the appropriate fields within the system.

***Response: Management concurs and recommendation has been implemented.*** BCAD has established a process to effectuate this recommendation.

**10.C.** Address the system limitations and inconsistent date entry practice [...] to better support the L&F operations and strengthen the management review process through ensuring that critical system requirements, including but not limited to the areas discussed above, are included in the Request for Proposal specifications for a new system, as applicable.

***Response: Management concurs.*** All system requirements and needs will be identified and contained within the solicitation discussed in response to 10A above.

Opportunity for Improvement 11: Detailed and Accurate Found Item Descriptions Should be Consistently Entered into the System to Enhance L&F Process Effectiveness and Efficiency.

#### **Auditor's Recommendations and Management's Responses:**

**11.A.** Ensure the L&F staff consistently enter detailed and accurate item descriptions (such as model, series, serial number, etc.) into the system.

***Response: Management concurs and the recommendation has been implemented.*** BCAD has established a process to effectuate this recommendation.

**11.B.** Update the L&F written procedures to require the staff to enter defined and detailed item descriptions (such as model, series, etc.) into the system consistently.

***Response: Management concurs and implementation of the recommendation is in progress.*** BCAD staff have been trained and the written policy and procedure will be updated accordingly.

Opportunity for Improvement 12: The L&F Written Procedures Should be Further Enhanced to Include Comprehensive Requirements and Detailed Guidelines.

**Auditor's Recommendations and Management's Responses:**

**12.A.** Ensure the L&F written procedures are further enhanced to align with the current L&F Office practices and expand to provide consistent and sufficient formal instructions to the staff to perform their duties, including incorporating the above considerations.

***Response: Management concurs and revisions were already in progress.*** BCAD will update the policies and procedures (to be completed in the next 60 days). During the audit period, the Lost and Found Standard Operating Procedure (SOP) was undergoing revisions to improve operations and formalize several practices, including the development of a detailed Employee Instruction Manual to assist staff in completing assigned task. Version control procedures will be established to document and track subsequent updates.

Opportunity for Improvement 13: Written Notices by Certified Mail Should be Sent to the Owners (if Known) Before Selling Items at Auction.

**Auditor's Recommendations and Management's Responses:**

**13.A.** Establish internal controls to ensure that written notices, via certified mail, are sent to potential owners (if known) before auction, as required by the Florida Statutes.

***Response: Management concurs.*** BCAD will follow the requirements described in Florida Statute 705.182.

**13.B.** Ensure the L&F written procedures are updated to include this requirement.

***Response: Management concurs.*** BCAD will follow the Florida Statute 705.182 and will update the written policies and procedures accordingly (to be completed in the next 60 days).

Opportunity for Improvement 14: The Contract for Auction Services Should be Amended to Expand the Data Sanitation Requirements to All Electronic Devices.

April 21, 2026

Management Response to Office of the County Auditor's Audit of the Lost and Found (L & F) at the Fort Lauderdale-Hollywood International (FLL) Airport

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## **Auditor's Recommendations and Management's Responses:**

**14.A.** Require the Purchasing Division (Contract Administrator) to amend the contract to expand the data sanitation requirements to all electronic devices with data-storage capability, instead of limiting them to computer hard drives as specified in the current contract.

***Response: Management concurs.*** BCAD will work with the Purchasing Division and the Contract Administrator on a contract amendment that aligns with the recommendation.

As a closing note, included as Attachment 1, please find photos depicting the current status of the areas that were the subject of the audit report; we expect the same will be a valuable tool in contextualizing our responses to the audit report.

Thank you for the opportunity to review the draft report and provide Management's responses to the same. We appreciate the collaboration of the Office of the County Auditor in performing this audit. Should you have any questions or require additional information, please, do not hesitate to contact us

cc: Monica Cepero, County Administrator  
Kevin Kelleher, Deputy County Administrator  
Mark Gale, BCAD Director  
Michael Nonnemacher, BCAD Aviation Chief Operating Officer  
Jason Watkins, Aviation, Chief Financial Officer  
John Pokryfke, Enterprise Director of Operations  
Collenn Brooks, Airport Manager, Operations Administration

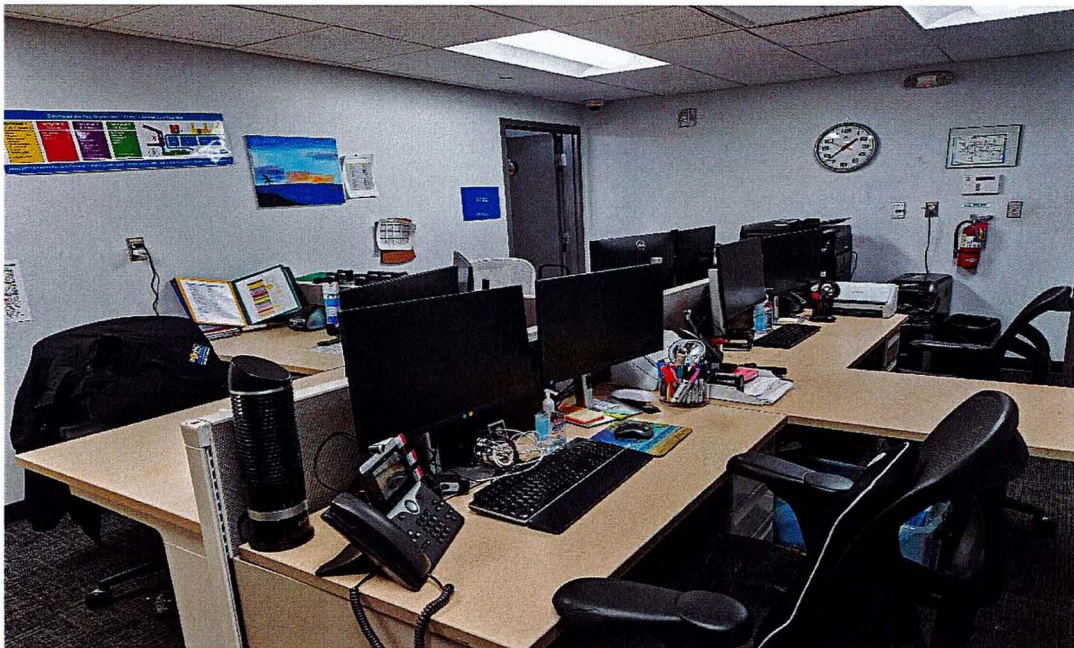
April 21, 2026

Management Response to Office of the County Auditor's Audit of the Lost and Found (L & F) at the Fort Lauderdale-Hollywood International (FLL) Airport

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## ATTACHMENT 1

### Main Office – Current State



**Breakroom – Current State**



**Main Storage Area – Current State**



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### **New Sortation room for disposal/donation/auction sale preparation**

