

GALVESTON COUNTY



Office of County Auditor

Randall Rice CPA CISA CIO, County Auditor
Kristin Bulanek CIA, First Assistant County Auditor

P.O. Box 1418, Galveston, Texas 77553

(409) 770-5304

722 Moody Ave 4th Floor, Galveston, TX 77550

January 13, 2020

Honorable Mark A. Henry, County Judge, and
Members of the Commissioners Court
722 Moody Ave
Galveston, Texas 77550

Honorable Mark A. Henry and Members of the Court:

Attached to be received and filed is the internal audit report of the inventory of fixed assets of the Facilities Department. Also attached is the response letter from Facilities Director, William Riordan, dated January 3, 2020.

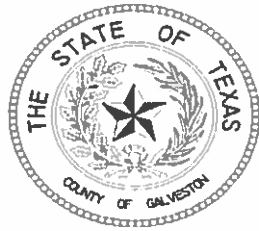
Sincerely,

Randall Rice CPA
County Auditor

cc: William Riordan, Facilities Director

Attachment: Facilities Inventory of Fixed Assets Audit Report
Response Letter, William Riordan, Facilities Director

GALVESTON COUNTY



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December 19, 2019

To: William Riordan
Facilities Director

From: Lillian Arredondo
Internal Auditor

Re: Facilities Department, Inventory of Fixed Assets

An inventory of fixed assets of the Facilities Department was conducted from December 18, 2019 through December 19, 2019. The objective of the inventory was to provide reasonable assurance that Galveston County fixed assets assigned to the Facilities Department have been accounted for at the time of the inventory and the information in ONESolution is complete and accurate. All fixed assets were accounted for during the inventory.

Fixed Asset Identification (FAID)

The Galveston County Purchasing Policies and Procedures Manual (March 7, 2018) requires the custodial department to properly tag and document receipt of each fixed asset. The Purchasing Asset Coordinator assigns a unique FAID number to each fixed asset. The FAID is recorded in ONESolution and a decal reflecting the number is affixed to the vehicle or piece of equipment.

Finding: A John Deere Zero Turn Radius Mower (Unit ZT-8) is missing the Fixed Asset Identification (FAID) decal.

Recommendation FD-20-01: The department should notify the Purchasing Department to obtain a FAID decal for the John Deere Zero Turn Radius Mower (Unit ZT-8).

Semi-Annual Fixed Asset Inventory

The Purchasing Agent Policies & Procedures Manual (March 7, 2018) 12.4(c) states an online process, using the Asset Custody Verification Form, is initiated semi-annually with all departments. The Asset Verification Form includes all inventoried fixed assets charged to the protective custody of each department. The department's asset custodian shall examine the form for accuracy, execute it and return it to the Purchasing Asset Coordinator.

The Facilities Department performed an inventory of fixed assets September 2019. The Asset Custody Verification Forms, dated September 27, 2019, were submitted to the Purchasing Asset Coordinator.

December 19, 2019

Page 2

Finding: There are multiple fixed assets that have the incorrect FAID decal affixed to the asset.

Recommendation FD-20-02: When performing the semi-annual inventory of fixed assets, the department should document any missing or incorrect information on the asset and notify the Purchasing Department of the corrections needed. In addition, the department should notify the Purchasing Department to replace all incorrect FAID decals.

Fixed Asset Transfer

The Purchasing Agent Policies & Procedures Manual (March 7, 2018) 12.4(d) states, "The transfer of all other fixed property equipment from one department to another shall be documented on Form FA-02, Asset Transfer Report for Fixed Assets Other Than Information Technology Equipment. This form must be signed by both the transferring Department's Asset Custodian and the Purchasing Asset Coordinator." Form FA-02 was properly submitted to the Purchasing Department for all transferred assets.

We wish to thank William Riordan and his staff for their cooperation and assistance.

cc: Randall Rice CPA, County Auditor
Kristin Bulanek CIA, First Assistant County Auditor
Rufus Crowder CPPO, CPPB, Purchasing Agent



County of Galveston
Facilities Dept.
722 Moody, 6th Floor
Galveston, Texas 77550
Phone (409) 765-2643 FAX (409) 621-7971

Will Riordan
Facilities Director

Debra J. Belany
Administrative Coordinator

January 3, 2020

To: Lillian Arredondo

From: William Riordan

Re: Inventory of Fixed Assets

Ms. Lillian Arredondo:

The following is my response to the Audit conducted December 18th- 19th of Facilities Fixed Assets.

Finding: A John Deere zero turn mower (UnitZT-8) is missing its FAID decal.

Response: We will get with Purchasing to have a tag made & installed by the end of January 2020.

Finding: Multiple fixed assets have incorrect FAID decals.

Response: We will confirm with Purchasing & have correct FAID tags made & installed by the end of January 2020.

Thank you.

A handwritten signature in black ink, appearing to read "Will Riordan".

Will Riordan
Director of Facility Services