

# GALVESTON COUNTY



## Office of County Auditor

Randall Rice CPA CISA CIO, County Auditor  
Madeline Walker CPA CFE, First Assistant County Auditor

P.O. Box 1418, Galveston, Texas 77553

(409) 770-5304

722 Moody Ave 4<sup>th</sup> Floor, Galveston, TX 77550

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January 25, 2021

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 20, 2021.

Sincerely,

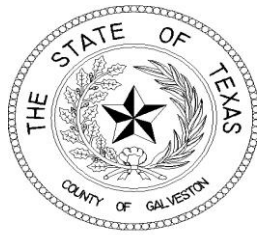
Randall Rice  
CPA  
Randall Rice CPA  
County Auditor

Digitally signed by Randall Rice  
CPA  
Date: 2021.01.20 11:55:42  
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cc: William Riordan, Facilities Director

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

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January 5, 2021

**To:** William Riordan  
Facilities Director

**From:** Celeste Wood  
Internal Auditor

**Re:** Facilities Department, Inventory of Fixed Assets

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An inventory of fixed assets of the Facilities Department was conducted from December 18, 2020 through January 4, 2021. 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:** There was one fixed asset missing the Fixed Asset Identification (FAID) decal.

**Recommendation FD-21-01:** The department should notify the Purchasing Department to replace the missing FAID decal.

### **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 October 2020. The Asset Custody Verification Forms, dated October 6, 2020, were submitted to the Purchasing Asset Coordinator.

January 5, 2021

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**Finding:** There were a few fixed assets in which the serial number was worn off, thus could not be verified.

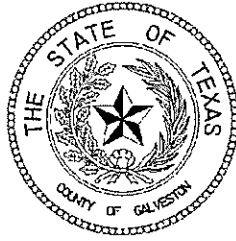
**Recommendation FD-21-02:** To ensure compliance with the Purchasing Agent Policies and Procedures Manual, the department should notify the Purchasing Asset Coordinator to replace all missing or unreadable serial numbers.

#### **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  
Madeline Walker CPA, CFA, First Assistant County Auditor  
Rufus Crowder CPPO, CPPB, Purchasing Agent



**COUNTY OF GALVESTON**  
**FACILITIES DEPARTMENT**  
722 MOODY, 6<sup>TH</sup> FLOOR  
GALVESTON, TEXAS 77550  
PHONE (409) 766-2384 FAX (409) 770-5132

**Will Riordan**

Facilities Director

**Debra Belany**

Administrative Coordinator

January 20, 2021

To: Randall Rice  
From: Will Riordan  
Re: Response to FY 2021 Inventory of Fixed Assets Audit  
Mr. Rice,

The following is my response to the Internal Audit conducted of the Toll Booth operations.


**Finding:** There was one fixed asset missing the Fixed Asset Identification Decal (FAID).

**Response:** Facilities will coordinate with the Purchasing Department to replace the lost decal.

**Finding:** There were a few fixed assets where serial number was worn off preventing verification.

**Response:** Facilities will coordinate with the Purchasing Department to replace all missing or worn FAID.

I want to thank Celeste Wood her assistance with this audit.

Sincerely,  
  
Will Riordan