



Fixed Asset Inventory Verification – County Offices

Division of Inspector General

Gary J. Cooney, Clerk of the Circuit Court & Comptroller
Audit Report

Terri W. Freeman, CPA, CIA, CISA, CRMA
Inspector General

Audit Conducted by:
Kathy Perry
Inspector General Auditor I

Report No. BCC-176
February 6, 2020



Division of Inspector General

Office of Gary J. Cooney

Clerk of the Circuit Court and Comptroller

550 West Main Street, Post Office Box 7800

Tavares, Florida 32778-7800

Phone: (352) 253-4930 Fax: (352) 742-4534

February 6, 2020

Board of County Commissioners

The 2019 Fixed Asset Inventory Audit of the County Offices is complete.

The controls are well designed and operating as intended. One opportunity for improvement is identified in this report.

We appreciate the cooperation and assistance provided by everyone during the course of the audit.

Respectfully submitted,

Terri W. Freeman
Inspector General

cc: Gary J. Cooney, Clerk of the Circuit Court & Comptroller
Denise Bell, Chief Deputy Clerk
Jeff Cole, County Manager
Jennifer Barker, Executive Director, Administrative Services
Ron Falanga, Director, Office of Procurement Services

Know of Fraud, Waste, or Abuse?

Contact our hotline at (352) 742-4429 or
email fwa@lakecountyclerk.org

Scope and Methodology

As scheduled in the Inspector General Audit Plan, an audit of fixed assets owned by the Board of County Commissioners (BCC) was conducted. The audit objectives were to determine whether assets are present and accounted for, are protected from theft and abuse, and are appropriately maintained and utilized.

To achieve the objectives, a stratified random sample of assets between six BCC offices was selected for observation. The audit included a sample of 40 assets, totaling \$2,390,827.16.

The audit period included assets on the County fixed asset listing as of August 22, 2019.

The assets in the Information Technology Department and Constitutional Offices are not included within the scope of this review.

Overall Conclusion

No significant issues exist. The fixed assets for BCC Offices are present and accounted for, are protected from theft and abuse, and are appropriately maintained and utilized. One opportunity for improvement is included in this report.

Background

The Board of County Commissioners is responsible for all fixed assets acquired for the BCC and its employees. Fixed assets, for purposes of inventory, are defined as assets that have a value of \$1,000.00 or greater with a useful life of at least one year per Chapter 69I-73, Florida Administrative Code.

The following departments were included in the 2019 Fixed Asset Audit:

- Public Works – Traffic Operations
- Facilities Maintenance – Jail and Sheriff Maintenance
- Public Works – Landfill Operations
- Office of Transit Services - Transportation Disadvantage Administration
- Office of Building Services
- Office of Emergency Management

Opportunities for Improvement

Standard Operating Procedures

Procedure LC-37 -Fixed Asset Management referenced outdated Florida Rules of the Auditor General, Chapter 10.400, Local Government Owned Tangible Personal Property, which has been replaced by Florida Administrative Code 69I-73.

If policies and procedures do not cite current regulations, there could be a risk of non-compliance. Additionally, a process should be developed to monitor changes to regulations and promptly update policies and procedures, train staff, and update contracts and agreements, accordingly.

Agreed upon action plan: Management is in the process of updating the policies and procedures to reflect current regulations.