



2020 Fixed Asset Inventory Verification

Inspector General Department

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

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Inspector General Department

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The 2020 Fixed Asset Inventory Audit of the County Offices is complete.

Overall, the controls in place are well designed and operating as intended. There were a few opportunities for improvement that are 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
Alan Rosen, County Manager
Jennifer Barker, Executive Director, Administrative Services
Ron Falanga, Director, Office of Procurement Services

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Scope and Objective

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 used appropriately.

To achieve the objectives, a stratified random sample of assets from the departments of Emergency Medical Services, Information Technology, and Courts Administration - Judges Technology were selected for validation. The audit included a sample of 168 assets, totaling \$1,415,827.84.

The audit period included assets on the County fixed asset listing as of October 13, 2020.

Overall Conclusion

No significant issues are present. Opportunities for improvement are included in this report.

The following controls appeared to be functioning as designed:

- 100% of fixed assets in a random sample for Judges', County, and Clerk Information Technology Departments were present, in the expected location, and properly secured. The property number affixed to the asset matched that of the number listed in the fixed asset inventory.
- Fixed asset policies LC-37 and LC-40 were up-to-date and aligned with Florida Administrative Code Chapter 69I-73. Procurement collaborates with Finance to manage the policies and ensure they are up-to-date.

Background

The BCC is responsible for all fixed assets acquired for the County and Constitutional Officers. 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, according to Chapter 69I-73, Florida Administrative Code.

Office of Emergency Medical Services (EMS) – Provides emergency medical services and transportation of the sick and injured citizens and visitors of Lake County.

County Information Technology department – Provides the County and the five Constitutional Offices with technology solutions. The department is comprised of an IT Business Office, Service Desk, Enterprise Support, and Technical Services.

Clerk Information Technology department – The department provides centralized Information Technology support for the Clerk's Office including emergency disaster preparedness and information management.

Constitutional Offices – The Fifth Judicial Circuit Court - Judges Information Technology - The Fifth Judicial Circuit of Florida serves Citrus, Hernando, Lake, Marion, and Sumter counties, which contain 5.5% of Florida's population. The court duties include the assignment of judges to divisions, the prompt disposition of cases, control of the dockets, and regulation of the use of court facilities. They hear cases where the matter generally is more than \$15,000.00.

Opportunities for Improvement

1. Assets Could Not be Located

Two (3%) of sixty fixed assets (valued at \$2,745.00) in the EMS department were not in their expected location, as indicated in the inventory record, and staff were unable to provide documentation for asset disposal. According to County Procedure LC-37, the custodian of the fixed assets is responsible for proper disposal of the fixed asset when it is no longer of value to the custodian.

There is a risk of misappropriation of County assets if procedures for disposed or missing assets are not followed.

Agreed Upon Action Plan: The assets were to be disposed of (end of life) in 2018 but there was no follow through. Going forward, the Fixed Assets Manager will review inventory submissions and follow up via email with department custodian to ensure proper action and documentation is completed. These two items will be removed from the fixed asset inventory.

Target Completion Date: 4/30/2021, as Board approval is needed to remove the assets. The Office of Procurement Services expects to have enough items to take to the Board in April.

2. Assets are not Secure

Eleven out of 21 (52%) assets in a test sample were located in emergency vehicles that were unlocked and unattended. Lake Emergency Medical Services Policy and Procedure Manual: Policy No: 4 -1 (Page 2 or 7) - IV. Vehicle Security: A. states, *To reduce the possibility of theft and/or vandalism all vehicles, except those enclosed in locked buildings, are to be locked when not occupied or when crewmembers are beyond sight and sound of the vehicle.*

Agreed Upon Action Plan: All EMS staff will be remediated on unit security procedures. Newer units are fitted with all compartment lock system. Supervisors will conduct intermittent spot checks.

Target Completion Date: Complete