

# 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 4<sup>th</sup> Floor, Galveston, TX 77550

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October 23, 2017

Honorable Mark A. Henry, County Judge, and  
Members of the Commissioners Court

Honorable Mark A. Henry and Members of the Court:

Attached for your consideration is the internal audit report of the inventory of assets of the Department of Parks and Cultural Services. Also attached is the response letter from Julie Diaz, Director of Parks and Cultural Services.

Sincerely,

A handwritten signature in blue ink, appearing to read "Randall Rice CPA".

Randall Rice CPA  
County Auditor

cc: Julie Diaz, Director of Parks and Cultural Services

Attachment: Department of Parks and Cultural Services Assets Audit Report  
Response Letter, Julie Diaz, Director of Parks and Cultural Services

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September 20, 2017

**To:** Julie Diaz  
Director, Department of Parks and Cultural Services

**From:** Jordan Guss   
Information Systems Audit Team Lead

**Re:** Department of Parks and Cultural Services, Inventory of Assets

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An inventory of assets of the Department of Parks and Cultural Services was conducted from August 4, 2017 to September 20, 2017. The objective of the inventory was to provide reasonable assurance Galveston County fixed assets assigned to the Department of Parks and Cultural Services have been accounted for at the time of the inventory and the information in ONESolution is complete and accurate. Additionally, an inventory of small equipment was conducted to provide reasonable assurance small equipment purchased by the department have been accounted for at the time of the inventory.

### **Fixed Asset Identification (FAID)**

The Purchasing Agent Policies & Procedures Manual (May 11, 2010) requires the Fixed Asset Property Manager (FAPM) to properly tag and document receipt of each fixed asset. The FAPM 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 are multiple fixed assets that are missing the Fixed Asset Identification (FAID) decal.

**Recommendation PARKS-17-01:** The department should notify the Purchasing Department to replace all missing or unreadable FAID decals.

### **Semi-Annual Fixed Asset Inventory**

The Purchasing Agent Policies & Procedures Manual (May 11, 2010) 11.4(c) states, "Form FA-04, Verification of Asset Custody Report by Department, is distributed semi-annually to all departments. It 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 Fixed Asset Property Manager."

The Department of Parks and Cultural Services performed an inventory of fixed assets March 2017. The Asset Custody Verification Forms were submitted to the Fixed Asset Property Manager.

**Finding:** There are fixed assets that have an incorrect license plate number recorded in ONESolution.

**Recommendation PARKS-17-02:** When performing the semi-annual inventory of fixed assets, the department should document any missing or incorrect information from ONESolution and notify the Purchasing Department of the corrections needed.

#### **Small Equipment Inventory**

Equipment purchased by the Department of Parks and Cultural Services which costs less than \$5,000.00 is not recorded in ONESolution and does not meet the guidelines set by the Purchasing Agent Policies & Procedures Manual for fixed assets. Therefore, it is the responsibility of the director to document and monitor all small equipment purchased.

**Finding:** There are small equipment items with no unit number affixed to the piece of equipment.

**Recommendation PARKS-17-03:** The department should assign unit numbers to all small equipment in order to better track the small equipment.

We wish to thank Ms. Diaz and her 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

## Department of Parks & Cultural Services

4102 Main Street (FM 519) • La Marque, Texas 77568  
Phone: (409) 934-8100 • Fax: (409) 621-7986  
[www.galvestonparks-seniors.org](http://www.galvestonparks-seniors.org)

September 25<sup>th</sup>, 2017

Randall Rice CPA County Auditor  
The County of Galveston  
County Auditor's Office  
P. O. Box 1418  
Galveston, Texas 77553

**RE: Internal Audit**

Dear Mr. Rice,

The purpose of this letter is to present the Department of Parks and Cultural Services response to your office's internal audit of Inventory of Assets received on September 20<sup>th</sup>, 2017, which was conducted for August 4<sup>th</sup>, 2017 to September 20<sup>th</sup>, 2017.

Per the report received, the Parks and Cultural Service Department was found to have a discrepancy with the following items:

### Fixed Asset Identification (FAID)

- **Finding:** There are multiple fixed assets that are missing the Fixed Asset Identification (FAID) decal
- **Recommendation PARKS-17-01:** The department should notify the Purchasing Department to replace all or missing unreadable FAID decals.
- **Response:** We will work with purchasing to get faded stickers reprinted and replaced. For the new items, purchasing will let us know when they are ready for pickup and we will apply them.

### Semi-Annual Fixed Asset Inventory

- **Finding:** There are fixed assets that have an incorrect license plate number recorded in ONESolution.
- **Recommendation PARKS-17-02:** When performing the semi-annual inventory of fixed assets, the department should document any missing or incorrect information from ONESolution and notify the Purchasing Department of the corrections needed.
- **Response:** Missing or incorrect information is noted for Purchasing to change. We will continue to verify FAID with license plates and serial numbers.

### Small Equipment Inventory

- **Finding:** There are small equipment items with no unit number affixed to the piece of equipment
- **Recommendation PARKS-17-03:** The department should assign unit numbers to all small equipment in order to better track the small equipment.
- **Response:** We did go through and assign unit numbers, but we are having a hard time finding a way to keep the unit number affixed to each piece of small equipment. We are in the process of changing the small equipment inventory numbering system and should have all pieces of small equipment tagged by December 2017.

We appreciate the work done on this audit and would like to thank Jordan Guss from the Auditor's office for her professionalism and guidance through the process.

Thank you,

A handwritten signature in black ink, appearing to read "Julie Diaz".

Julie Diaz  
Director  
Galveston County Parks & Cultural Services  
409-934-8114  
[Julie.diaz@co.galveston.tx.us](mailto:Julie.diaz@co.galveston.tx.us)

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