

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

June 17, 2019

Honorable Mark A. Henry, County Judge, and
Members of the Commissioners Court
722 Moody Ave, Suite 200
Galveston, TX 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 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,

Randall Rice CPA

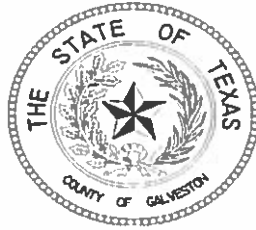
Digitally signed by Randall Rice CPA
DN: cn=Randall Rice CPA, o=Galveston County,
ou=County Auditor,
email=randall.rice@co.galveston.tx.us, c=US
Date: 2019.06.11 13:45:57 -05'00'

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

GALVESTON COUNTY



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May 23, 2019

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

From: Michaelyn Dunaway
Internal Auditor

Re: Department of Parks and Cultural Services, Inventory of Assets Internal Audit 2019

An inventory of assets of the Department of Parks and Cultural Services was conducted from May 3, 2019 to May 23, 2019. 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.

Lost Fixed Assets

The Purchasing Agent Policies & Procedures Manual (March 7, 2018), 11.2(b) states, "Lost assets must be reported immediately to the Purchasing Agent by the Elected/Appointed Official, or the Department Head. Reports of lost assets must be immediately made on Form FA-03, Asset Disposal Report by the Elected or Appointed Official or Department Head and sent to the Purchasing asset coordinator who will update the fixed asset status to AD - awaiting disposal. In addition, the Elected Official or Appointed Official or the Department Head must report the theft to the proper law enforcement agency and submit a copy of the offense report to the Purchasing asset coordinator. It will be removed from the department's asset custody report by the Purchasing asset coordinator after the proper documentation is received and filed by Commissioners Court."

Finding: The following fixed assets were unable to be located:

- 2009 John Deere Zero Turn Radius Mower, SN TC997SC040691, Unit ZT7, FAID 30304
- 2007 Load Trail 20' Trailer, SN 4ZECF202571033410, FAID 31797
- 2008 Load Trail 10' Trailer, SN 4ZESA101181051884, FAID 31798 (Internal audit was informed this trailer was reported stolen in 2015. Supporting documentation for this asset was recently submitted to the Purchasing Asset Coordinator.)

Recommendation PARKS-19-01: To ensure compliance with the Purchasing Agent Policies & Procedures Manual, the department should submit the required documentation for the missing fixed assets to the Purchasing Asset Coordinator.

Fixed Asset Identification (FAID)

The Purchasing Agent Policies & 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 are multiple fixed assets that are missing the Fixed Asset Identification (FAID) decal.

Recommendation PARKS-19-02: To ensure compliance with the Purchasing Agent Policies & Procedures Manual, the department should notify the Purchasing Asset Coordinator to replace all missing or unreadable FAID decals.

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 Department of Parks and Cultural Services performed an inventory of fixed assets November 2018. The Asset Custody Verification Forms were submitted to the Purchasing Asset Coordinator.

Finding: There are multiple fixed assets that are at a location different than what is recorded in ONESolution.

Finding: There are multiple fixed assets that do not have a unit number affixed to the asset.

Recommendation PARKS-19-03: When performing the semi-annual inventory of fixed assets, the department should document any incorrect information recorded in 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-19-04: The department should assign unit numbers to all small equipment to improve the efficiency of the small equipment inventory.

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

June 4th, 2019

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

RE: Department of Parks and Cultural Services, Inventory of Assets – Internal Audit 2019

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 received on May 31st, 2019, which was conducted for May 3rd, 2019 to May 23rd, 2019.

Lost Fixed Assets

Finding: The following fixed assets were unable to be located:

- 2009 John Deere Zero Turn Radius Mower, SN TC997SC040691, Unit ZT7, FAID 30304
- 2007 Load Trail 20' Trailer, SN 4ZECF202571033410, FAID 31797
- 2008 Load Trailer 10' Trailer, SN4ZESA101181051884, FAID 31798 (This was reported stolen in 2015. Supporting documentation for this asset was recently submitted to the Purchasing Asset Coordinator.)

Recommendation PARKS-19-01: To ensure compliance with the Purchasing Agent Policies and Procedures Manual, the department should submit the required documentation for the missing fixed assets to the Purchasing Asset Coordinator.

Response:

- 2009 John Deere Zero Turn Radius Mower, SN TC997SC040691, Unit ZT7, FAID 30304 – was located on Bolivar at the Fort Travis Shop on June 3rd, 2019. Pictures are attached. This mower no longer was working and was being used for parts. The proper paper work has been submitted to Fleet for disposal and removal from our inventory.
- 2007 Load Trail 20' Trailer, SN 4ZECF202571033410, FAID 31797 – attached is the police report for the stolen item. The proper paperwork has been submitted for removal from our inventory.

Fixed Asset Identification (FAID)

Finding: There are multiple fixed assets that are missing the Fixed Asset Identification (FAID) decal.

Recommendation PARKS-19-02: 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 FAID decals.

Response: If the Auditor's office will provide me with a list of the fixed assets that are missing FAID decals, I will request replacements from the Purchasing Asset Coordinator.

Semi-Annual Fixed Asset Inventory

Finding: There are multiple fixed assets that are at locations different than what is recorded in ONESolution.

Our Core Purpose: "We offer exceptional life experiences!"

Finding: There are multiple fixed assets that do not have a unit number affixed to the asset.

Recommendation Parks-19-03: When performing the semi-annual inventory of fixed assets, the department should document any incorrect information recorded in OneSolution and notify the Purchasing Department of the corrections needed.

Response: Each year with the semi-annual we provide new locations with our items if they are wrong. Sometimes they are changed, sometimes they are not. If the Auditor's office will provide a list of the current items that are not in the correct location, we will correct it and send the list over to the Purchasing Department.

Small Tool Inventory

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

Recommendation PARKS-19-04: The department should assign unit numbers to all small equipment to improve the efficiency of the small equipment inventory.

Response: We have tried several different options for unit numbers to small tools/equipment. Most are cumbersome and get in the way of the use of the tool/equipment, fall off, or rub off with time. For research, I asked the Road and Bridge Administrator and the Facilities Director what their processes are and neither one currently has a process. Is this just a requirement for the Parks Department? We will continue to research the best way to handle small tools/equipment, but it seems unrealistic for some items.

We appreciate the work done on this audit.

Thank you,



Julie Diaz
Director
Galveston County Parks & Cultural Services
409-934-8114
Julie.diaz@co.galveston.tx.us



ASSET DISPOSAL REPORT

DATE 11.28.2018

To: Purchasing Department, Attention: Fixed Asset Property Manager

From: 522020 Parks [Signature]
Department No. & Name Department Asset Custodian Authorized Signature

Re: Please amend the inventory to reflect the following change(s) due to DISPOSAL.

METHOD OF DISPOSAL

- Auction _____
Date
- X Theft 2/2017 (Attach the Law Enforcement Agency Theft Report)
Date
- Destroyed by
 - Natural Disaster _____
Date
 - Traffic Accident _____
Date
- Trade-In _____
Date
- Donated _____ Agency receiving donation _____
Date

Disposal of: 31797
FAID No

Reason for disposal: Theft

Serial No / VIN # 4ZECF202571033410

From: Parks 522020 Location: Santa Fe Service Center
Department No. & Name Building, Floor, Suite, or Room No

Comments: _____

PLEASE RETAIN A COPY OF THIS FORM FOR YOUR RECORDS

PURCHASING DEPARTMENT USE ONLY

Date Form Processed _____

Fixed Asset Property Manager _____

REPORTING OFFICER NARRATIVE

Galveston County Sheriff's Office

OCC# 19-00002203
Date / Time Reported Thu 05/30 2019 11:49

Victim GALVESTON COUNTY PARKS	Offense THEFT - OTHER
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THE INFORMATION BELOW IS CONFIDENTIAL - FOR USE BY AUTHORIZED PERSONNEL ONLY

This deputy was contacted by Bo Hahn of the Parks office notifying me of the theft of a Parks trailer from the Santa Fe Service center. He has no suspects in the above case, and the theft occurred more than two years ago. He explained that he needed a police report to clear the trailer from their current inventory. He did have the description, model, and serial number on the trailer and I did have dispatch enter it as stolen.

Incident Report Related Vehicle List

Galveston County Sheriff's Office

CPA: 19-00002205

Veh Yr Make/Model <i>2007, Car Hauler</i>		Style <i>TR</i>	Color <i>BLK</i>	Lic Pls <i>0001019 TX</i>		VIN <i>47ECF202571033110</i>	
IMR Status <i>Stolen</i>		Date <i>05 30 2019</i>	Location <i>5101 W H ST, SANTA FE TX</i>				
Condition <i>GOOD</i>	Value <i>\$3,200.00</i>	Offense Code <i>061</i>	Jurisdiction <i>Locally</i>		State #	NIC # <i>1161199550</i>	
Name (Last, First, Middle) <i>Galveston County Parks</i>			Also Known As		Home Address <i>1901 E FM 616 LEAGUE CITY TX 77573 409-934-8100</i>		
Business Address							
DOB	Age	Race	Sex	Hgt	Wgt	Scars, Marks, Tattoos or other distinguishing features	

Notes

20 Big Tex loud trailer, car hauler



ASSET TRANSFER REQUEST

Date: 6.4.2019

To: Purchasing Department, Fixed Asset Property Manager

From: [Signature] Bo Hahn Department/Division: 522020 - Parks

RE: Please amend the inventory to reflect the following change(s) due to TRANSFER

Transfer 30304 Unit # ZT-7 Description John Deere Zero Turn Mower SerialVIN 40691
From 522020, Parks Location Fort Travis/Bolivar
To 172111, Fleet Location DKSN/DK13 Dickinson Fleet Lot
Reason for Transfer Bus past end of life / end of usefulness; used for parts

Transfer Unit # Description SerialVIN
From Location
To Location
Reason for Transfer

PLEASE RETAIN A COPY OF THIS FORM FOR YOUR RECORDS

PURCHASING DEPARTMENT USE ONLY

Date Form Processed Fixed Asset Property Manager

Form 01-01-01 (Rev. 01/01/01)

marker was behind
these tires



FAID tag
30304 for ZT7

