

# GALVESTON COUNTY



## Office of County Auditor

Randall Rice CPA CISA CIO, County Auditor  
Jeff Modzelewski CPA, First Assistant Accounting  
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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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September 13, 2016

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 fixed assets of the Facilities Department. Also attached is the response letter from Facilities Director, Mike Bell.

Sincerely,

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

Randall Rice CPA  
County Auditor

cc: Mike Bell, Facilities Director

Attachment: Facilities Inventory of Fixed Assets Audit Report  
Response Letter, Mike Bell, Facilities Director

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September 1, 2016

**To:** Mike Bell  
Facilities Director

**From:** Lauren Ramsey  
Compliance and Procedures Analyst

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

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An inventory of fixed assets of the Facilities Department was conducted from August 10 - 19, 2016. 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 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.

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

**Recommendation FD-16-01:** 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 Facilities Department performed an inventory of fixed assets April 2016. The Asset Custody Verification Form, dated April 1, 2016, was submitted to the Fixed Asset Property Manager.

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**Finding:** There are fixed assets in ONESolution that do not have a serial number or have an incorrect serial number listed.

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

**Finding:** FAID 31892, Ford Pickup Truck, has a different unit number listed in ONESolution than affixed to the vehicle.

**Recommendation FD-16-02:** 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.

### **Fixed Asset Transfer**

The Purchasing Agent Policies & Procedures Manual (May 11, 2010) 11.4(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 Fixed Asset Property Manager."

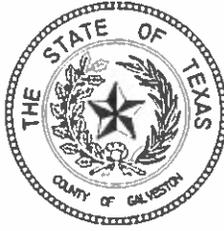
**Finding:** FAID 4520, Ford Truck, is currently in the custody of the County Clerk's Office but is assigned to the Facilities Department. The Facilities Director informed internal audit that this vehicle will be transferred to the County Clerk.

**Recommendation FD-16-03:** The Facilities Department should submit form FA-02 to the Purchasing Department to transfer custody of FAID 4520.

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We wish to thank Mike Bell and his staff for their cooperation and assistance.

cc: Randall Rice CPA, County Auditor  
Kristin Bulanek CIA, First Assistant Auditing  
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) 621-7971  
**Mike Bell**  
Facilities Director

**Hill Olson**  
Property manager

**Debra Belany**  
Administrative Coordinator

September 6, 2016

To: Lori McWhirter

From: Mike Bell

Re: Audit of Facilities Assets

Ms. Lori McWhirter,

The following is my response to the Audit conducted August 10<sup>th</sup> -19<sup>th</sup> of the assets in the Facilities Dept.

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

**Response:** We are working with the Fixed Asset Property Manager to get the decals for the trucks.

**Finding:** There are fixed assets in ONESolution that do not have a serial number or have an incorrect serial number listed.

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

**Finding:** FAID 31892, Ford Pickup Truck, has a different unit number listed in ONESolution than affixed to the vehicle.

**Response:** We are working with the Fixed Asset Property Manager to get all this information into ONESolution.

**Finding:** FAID 4520, Ford Truck, is currently in the custody of the County Clerk's Office but is assigned to the Facilities Department. The Facilities Manager informed internal audit that this vehicle will be transferred to the County Clerk.

**Response:** We will send form FA-02 to the Fixed Asset Property Manager to transfer to the County Clerk

I want to thank Lauren Ramsey for her assistance with this audit.

Sincerely

A handwritten signature in black ink, appearing to read "M. J. Bee", with a horizontal line underneath it.

409-765-2643

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