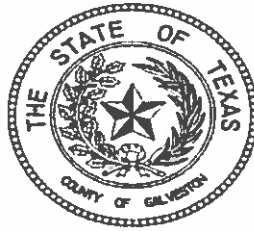


GALVESTON COUNTY



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

September 11, 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 fixed assets of the Fleet Department. Also attached is the response letter from Fleet Director, John Fesler.

Sincerely,

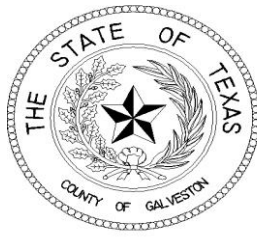
A handwritten signature in blue ink, appearing to read "Randall Rice CPA".

Randall Rice CPA
County Auditor

cc: David Delac, Chief Financial Officer

Attachment: Fleet Inventory of Fixed Assets Audit Report
Response Letter, John Fesler, Fleet Director

GALVESTON COUNTY



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722 Moody Ave 4th Floor, Galveston, TX 77550

August 14, 2017

To: David Delac
Chief Financial Officer

From: Lauren Ramsey
Compliance and Procedures Analyst

Re: Fleet Department, Inventory of Fixed Assets

An inventory of fixed assets of the Fleet Department was conducted from August 9, 2017 to August 14, 2017. The objective of the inventory was to provide reasonable assurance that Galveston County fixed assets assigned to the Fleet 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. A FAID decal was accounted for all fixed assets during the inventory.

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 Fleet Department performed an inventory of fixed assets April 2017. The Asset Custody Verification Form, dated April 25, 2017, was submitted to the Fixed Asset Property Manager.

August 14, 2017

Page 2

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." All transfers that occurred had the proper documentation attached.

We wish to thank David Delac 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



The County of Galveston

Professional Services
Fleet Department
5115 Highway 3
Dickinson, TX. 77539

John Fesler, Fleet Director

Office 281-309-5074

Date: September 5, 2017

To: Randall Rice CPA, County Auditor

From: John Fesler, Fleet Director

Re: Fleet Department Audit Report from August 9, 2017 to August 14, 2017

The Fleet Department has been working very diligently to assure all County assets are in compliance with all auditing protocols. The audit was completed in a professional and timely manner with minimal impact on daily operations. I would like to thank the Auditors Office and Lauren Ramsey for making this experience easy and straight forward.

A handwritten signature in black ink that reads "John Fesler".

John Fesler
Fleet Director
Galveston County
Professional Services
Office 281-309-5074
Mobile 409-370-5873

Cc: David Delac CFO
Kristin Bulanek CIA
Rufus Crowder CPPO, CBBP