



THE COUNTY OF GALVESTON
COUNTY AUDITOR'S OFFICE
P.O. Box 1418
GALVESTON, TEXAS 77553

County Auditor
Randall Rice CPA
CITP CISA CIO CBM DABFA CGMA

Ron Chapa CPA
First Assistant, Director of Auditing

Jeff Modzelewski CPA
First Assistant, Director of Accounting

August 5, 2014

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

Honorable Judge and Members of the Court:

Attached for your consideration is the internal audit report of the Road and Bridge Department, Fixed Asset Inventory.

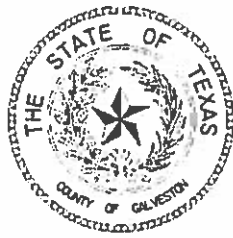
Sincerely,

A handwritten signature in black ink that reads "Rice CPA".

Randall Rice CPA
County Auditor

cc: Road Administrator Layne Harding

Attachment: Department of Road and Bridge, Inventory Audit Report



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Latoya Jordan
First Assistant, I.T. Systems

June 27, 2014

To: Layne Harding
Road Administrator

From: Travis Leopulos
Internal Auditor

Re: Department of Road and Bridge, Inventory

Fixed Asset Inventory

A fixed asset inventory of the Road and Bridge Department was conducted in the period of June 11, 2014 through June 13, 2014. The objective of the inventory was to provide reasonable assurance Galveston County assets assigned to the Road and Bridge Department had been accounted for at the time of the audit.

Finding: Internal Audit found the Department of Road and Bridge fixed asset list to be inconsistent and incomplete. Some of the assets in the possession of the department were not included on their fixed asset inventory list and fixed asset identification information such as Fixed Asset Identification number (FAID), year, model, VIN's and/or serial numbers had been incorrectly documented.

Recommendation RB-14-01: The Road and Bridge Department's fixed asset inventory list should be reconciled with the Purchasing Department and the Galveston County Fleet Department to ensure all fixed assets are included and correctly recorded on an annual basis.

Finding: A 2006 Yale Forklift, Fixed Asset ID# 29280, had the model number GDP070VXEYRE110 listed as the VIN: B875B05637D in IFAS.

Finding: A 1993 Duraco Dura Patcher, Fixed Assed ID# 1562, was not located. Road and Bridge management believe this unit was sold in auction; however, there are no available supporting documents.

Recommendation RB-14-02: When a fixed asset is sold in auction, the Serial number or VIN should be validated to ensure the release of the correct asset.

Recommendation RB-14-03: When a fixed asset is received, the Serial number or VIN should be validated to ensure the receipt of the correct asset.

We wish to thank Layne Harding and his staff for their cooperation and assistance.

cc: Randall Rice CPA, County Auditor
Ron Chapa CPA, First Assistant, Director of Auditing