



DIVISION OF INSPECTOR GENERAL
Grant Maloy, Clerk of the Circuit Court and Comptroller
Seminole County, Florida

November 15, 2022

To: The Honorable Chairman and Members of the Board of County Commissioners

We have completed the enclosed audit of Capital Equipment Inventory. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing and the Principles and Standards for the Offices of Inspector General.

The audit includes equipment purchased in 2019, 2020, and 2021.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Bill Carroll".

Bill Carroll, CPA, CFE, CIG, CIGA
Inspector General
Division of the Inspector General

Approved by:

A handwritten signature in blue ink, appearing to read "Grant Maloy".

Honorable Mr. Grant Maloy
Clerk of the Circuit Court and Comptroller
Seminole County

Audit of
Capital Equipment Inventory
Report No. 081822

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Audit of
Capital Equipment Inventory
Report No. 081822

HONORABLE GRANT MALOY
CLERK OF THE CIRCUIT COURT AND COMPTROLLER

Bill Carroll, CPA, CFE, CIG, CIGA
Inspector General

Auditors Assigned:
Timothy Tschappat, CFE, CIA, CIGA
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Executive Summary

The following Executive Summary provides a high-level synopsis of: 1) why the audit was performed; 2) the audit objectives, and; 3) the results of the audit.

Why was the audit performed?

The audit was performed to verify the physical existence of equipment purchased by the County. Also, to determine if equipment was in good working order, properly safeguarded, and served a public purpose.

What are the objectives for the audit?

The objectives of the audit were: 1) to verify the accuracy of the equipment recorded in County financial records; and (2) determine if the equipment physically existed, was properly identified with an official BCC number, in good physical condition, and appeared to serve a public purpose.

What were the results of the audit?

Based on our test work, we have confirmed that all equipment that we statistically sampled for audit were properly recorded in County financial records; were physically verified for existence by the auditors; properly identified with a BCC number; in good physical condition; and appeared to serve a public purpose.

Background

Capital equipment is defined as equipment with a value of \$5,000 and above. This audit focused specifically on the physical inspection of capital equipment recorded in the County financial records.

A statistical sample of equipment was selected using a 90% confidence level and a 10% margin of error. The total dollar value of the items included in the inventory and selected for audit was \$7.4 million.

The scope of this audit included determining if the equipment purchased with taxpayer funds physically existed, was properly identified with an official BCC number, in good physical condition, and appeared to serve a public purpose.

The audit also included reviewing the internal control requirements established by the County. We noted that the County has policies and procedures that comply with Section 274.02, Florida Statutes, and the rules of the Auditor General.

The County's Property Administrator (PA) works with individual departments to ensure that records are maintained for each item. This includes safeguarding their equipment, assigning an identification number (BCC #), registering the equipment in the inventory system and following the maintenance schedule. The responsibilities for this position are included in the Manager Policy Manual.

More specifically, the PA is responsible for inventory control and reporting the results to Comptrollers County Finance Division for financial reporting.

This audit complemented the internal controls established by the County and another validation that the assets purchased and recorded in the County records is accurate.

As of August 30, 2022, County financial records reported \$21.2 million in capital equipment.

The results of the audit are included in the report that follows.

Audit Objectives

The objectives of the audit were: 1) to verify the accuracy of the equipment recorded in County financial records; and (2) determine if the equipment physically existed, was properly identified with an official BCC number, in good physical condition, and appeared to serve a public purpose.

Methodology and Scope

Equipment with a dollar value of \$5,000 and above was subject to this audit. Equipment procured by the County for 2019, 2020, and 2021, were subject to this audit.

The audit included:

- Florida Statutes and Rules of the Auditor General;
- County laws, regulations, and guidelines;
- Verified the accuracy of the equipment recorded in County financial records;
- Determine if the equipment physically existed, was properly identified with an official BCC number, in good physical condition, and appeared to serve a public purpose; and,
- Other procedures considered necessary.

Overall Evaluation

Based on our test work, we have confirmed that all equipment (160 items) that we statistically sampled for the audit were properly recorded in County financial records; were physically verified for existence by the auditors; properly identified with a BCC number; in good physical condition; and appeared to serve a public purpose.

We would especially like to acknowledge the County staff. Throughout the audit, they were extremely helpful and professional with assisting with this audit. The County has some exceptional professionals that are serving the citizens of Seminole County.

Thank you for your commitment to service.