



**DALLAS COUNTY  
COUNTY AUDITOR**

**Memorandum**

To: Honorable Commissioner Maurine Dickey  
Road & Bridge District No.1

From: Virginia Porter  
Dallas County Auditor *Virginia Porter*

Subject: Road & Bridge District No. 1  
Inventory Report

Date: Issued: September 17, 2010  
Released: October 6, 2010

On August 25, 2010, our Internal Audit staff performed the annual physical inventory at Road & Bridge District No. 1.

Our specific procedures, findings and recommendations are listed in the attached report. Controls over inventory appears effective, no material findings were noted during annual review. The report is intended for information and the use of management. We believe that enhanced record keeping procedures will allow for more effective operation and control of the inventory.

We appreciate the level of courtesy and cooperation extended during our review.

Attachments

VP:tb

DALLAS COUNTY, TEXAS – COUNTY AUDITORS OFFICE  
ROAD AND BRIDGE DISTRICT #1 INVENTORY REPORT  
September 17, 2010

### Scope

A physical inventory of Dallas County Road and Bridge District No. 1's storeroom supplies, lube, and road materials was performed on August 25, 2010. The purpose of the review was limited to reconciliation of precinct records to physical count and the official general ledger. Other procedures for testing internal control and any findings are reported separately. The District #1 Service Center is located at 2311 Joe Field Road.

### Background

Principal areas of responsibility include maintenance and repair of Dallas County's roads and bridges. Management consists of one commissioner, two administrative assistants, a road superintendent and an office manager. Road and Bridge District 1 has under gone a transition from a fully staffed road crew to an administrative staff to oversee the disbursement of road and bridge funds within District 1 projects.

### Procedures

Procedures included but were not limited to:

- Generating an annual inventory list and count form
- Reviewing the storekeeper's stock cards and ending balances for each item
- Physically counting items and recording any discovery items
- Measuring the stockpile of road materials
- Comparing the physical count to the perpetual inventory balance and resolving any discrepancies
- Listing any items issued during the inventory that were not posted to the storekeeper's stock cards.

### Findings

1. The physical count balance of \$3,609.47 was \$244.32 more than the actual perpetual inventory value on the district's stock cards of \$3,365.15.
2. Generally the storekeeper's stock cards were properly maintained with only a few exceptions where the stock card balance was not consistent with the physical quantity on hand. The significant difference greater than \$300 (physical count over( under) stock card) was:
  - Salvaged Steel Beams was over by 91.75 LFT (19.11%) totaling \$344.06



ROAD AND BRIDGE Dallas County, Texas  
Road and Bridge District 1  
FY 2010 Inventory

GL Account	Stock Number	New Stock Number	Description	Unit	2009 Audited Count	2010 Card Count	2010 Audited Count	2010 Current Rate	Total R & B Recorded Amount	2010 Audited Amount	Quantity Variance	Amount Variance	Remarks
15210	4002		DIRT	CYD	-	-	-	\$ 1.25	\$ -	\$ -	-	\$ -	
15210	7002		CUTTING EDGES 5/8 8"	EACH	2.00	-	1.00	\$ 32.46	\$ -	\$ 32.46	1.00	\$ 32.46	Prior year items -See Form #P280 (Transfer form) <b>TRANSFERRED to Surplus but not picked up</b>
15210	12002		MOTOR OIL SAE	QTS	86.00	68.50	72.00	\$ 1.23	\$ 84.09	\$ 88.39	3.50	\$ 4.30	
15210	12027		HYDRAULIC OIL	QTS	303.00	191.00	192.00	\$ 0.98	\$ 187.07	\$ 188.04	1.00	\$ 0.98	
15210	12173		ATF	QTS	543.00	543.00	543.00	\$ 0.63	\$ 343.61	\$ 343.61	-	\$ -	
15210	16060		SALVAGED STEEL BEAMS	LFT	480.00	480.00	571.75	\$ 3.75	\$ 1,800.00	\$ 2,144.06	91.75	\$ 344.06	
15210	65954		ANTI-FREEZE	EACH	13.00	13.00	13.00	\$ 5.80	\$ 75.40	\$ 75.40	-	\$ -	
15210	65955		134A FREON	EACH	6.00	6.00	6.00	\$ 6.99	\$ 41.94	\$ 41.94	-	\$ -	
15251	19001		SAND MANUFACTURED	CYD	39.00	39.00	37.93	\$ 12.66	\$ 493.72	\$ 480.12	(1.07)	\$ (13.60)	
15252	3155		SAND WASHED CONCRETE	CYD	21.00	21.00	13.33	\$ 16.16	\$ 339.32	\$ 215.44	(7.67)	\$ (123.88)	
15262	3008		CHAT CRUSHED STONE	CYD	-	-	-	\$ 9.81	\$ -	\$ -	-	\$ -	
			<b>TOTAL</b>		<b>1,493.00</b>	<b>1,361.50</b>	<b>1,450.01</b>		<b>\$ 3,365.15</b>	<b>\$ 3,609.47</b>	<b>88.51</b>	<b>\$ 244.32</b>	
			<b>15210</b>		<b>1,433.00</b>	<b>1,301.50</b>	<b>1,398.75</b>		<b>\$ 2,532.11</b>	<b>\$ 2,913.90</b>	<b>97.25</b>	<b>\$ 381.80</b>	
			<b>Other than 15210</b>		<b>60.00</b>	<b>60.00</b>	<b>51.26</b>		<b>\$ 833.04</b>	<b>\$ 695.57</b>	<b>(8.74)</b>	<b>\$ (137.48)</b>	