



# AUDIT REPORT

DALLAS COUNTY

PROPERTY INVENTORY - PROBATE 1 - FY2017

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Dallas County Auditor

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# PROPERTY INVENTORY - PROBATE 1 - FY2017

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This report is intended for the information and use of the agency/department. While we have reviewed internal controls and financial reports, this review will not necessarily disclose all matters of a material weakness. It is the responsibility of the department to establish and maintain effective internal control over compliance with the requirements of laws, regulations, and contracts applicable to the department



**DALLAS COUNTY**  
COUNTY AUDITOR

**MANAGEMENT LETTER**

Honorable Brenda Hull Thompson  
Probate Court #1 Judge  
Dallas, Texas

Attached is the County Auditor's final report entitled "**Property Inventory - Probate 1 - FY2017**" Report. In order to reduce paper usage, a hard copy will not be sent through in-house mail except to the auditee.

If you prefer that released reports be emailed to a different (or additional) recipient, please inform me of the name and the change will be made.

Respectfully,

A handwritten signature in black ink, which appears to read "Darryl D. Thomas". The signature is stylized with a large, looping initial "D" and a cursive "Thomas".

Darryl D. Thomas  
County Auditor

## **EXECUTIVE SUMMARY**

A review was performed of the department's property. A physical inventory of all fixed assets was performed on April 6, 2017.

One capital asset could not be located; no documentation exists related to property disposition.

The Dallas County Desktop IT equipment system (WASP Mobile Asset software) needs to be updated by Dallas County Information Technology Office for six items. Most updates are related to site (location), department, or serial number.

### **Summary of Significant Observations**

No significant observations existed.

### **Repeat observations from Previous Audits:**

No repeat observations existed.

## **INTRODUCTION**

**Dallas County Auditor's Office mission is to provide responsible, progressive leadership by accomplishing the following:**

- Comply with applicable laws and regulations
- Safeguard and monitor the assets of the County utilizing sound fiscal policies
- Assess risk and establish and administer adequate internal controls
- Accurately record and report financial transactions of the County
- Ensure accurate and timely processing of amounts due to County employees and vendors
- Set an example of honesty, fairness and professionalism for Dallas County government
- Provide services with integrity
- Work in partnership with all departments to resolve all issues of the County
- Strive to utilize the latest efficient and effective technology in the performance of tasks
- Provide technical support and training in the development, implementation, and maintenance of information systems
- Hold ourselves accountable to the citizens of the County at all times
- Be responsive to the elected officials and department heads of Dallas County

The objectives of this audit are to:

1. Ensure compliance with statutory requirements
2. Evaluate internal controls
3. Verification of accuracy and completeness of reporting
4. Review controls over safeguarding of assets

This review covers the property that was assigned to the department on April 6, 2017.

The audit procedures may include interviews with key process owners, observation of departmental processes, physical count of all property items valued \$5,000 or more, and data analysis and sample testing of computer property items valued less than \$5,000. The main system used may also be reviewed and incorporated as part of the testing of transactions.

## **DETAILS**

### **Property Not Located**

A physical inventory of capital assets performed on April 6, 2017 revealed that one capital asset reflected on the official fixed asset inventory records could not be located within the department.

#### **Recommendation**

##### **Property Not Located**

Department should determine the disposition of the property. If property has been transferred, a property transfer form (P280) should be completed and submitted to the Purchasing department (currently Kerry Rhines) for all assets sent to surplus or transferred to another department, regardless of purchase price. A copy of the form should be kept by the department until the item has been removed from all inventory records. If the property has been disposed of, the department should initiate the process to delete property from the official fixed asset records by completing and approving Request to Delete form and forwarding to County Auditor for certification before submitting to Commissioner Court for approval. Any supporting documentation should be attached.

#### **Management Action Plan**

The Court Sound System was left in the Court Room at the Records Bldg. upon the the move to the Renaissance Tower. The Court was informed at that time that no form was needed to surplus any of the items being left/vacated and that they only needed to be labeled and so we placed labels on what was left.

#### **Auditors Response**

Prior to the move to the Renaissance Tower, the Auditor's Office sent out an e-mail reminder (5/27/16) to Probate #1 about filling out a P280 transfer form for the sound system if it was going to be left behind.

### **Property Log**

A review of department's responses to Internal Control Questionnaire (ICQ) revealed that the department does not maintain a property log to track capital and non-capital assets assigned to Probate Court #1.

#### **Recommendation**

##### **Property Log**

The department should create and maintain a log for all departmental property.

#### **Management Action Plan**

The Court began a Property Log upon working with the auditor during the audit. There was an employee who was assigned to track capital and non-capital assets.

**Auditors Response**

None

**P280 - Property Transfer Form**

A review of department's responses to Internal Control Questionnaire (ICQ) revealed that property transfers are not being handled according to the Dallas County Code.

**Recommendation**

**P280 - Property Transfer Form**

A P280 should be completed and sent to Purchasing for interdepartmental transfers and transfers from the department to surplus. A copy of the original form should be retained by the department.

**Management Action Plan**

The auditor's informed the Court that a P280 form should be used upon transfer or surplus. Until that time the court was unaware that the form was needed to be used.

**Auditors Response**

None

**Testing of WASP system**

A sample review of ten property items from Dallas County Desktop IT equipment system (WASP Mobile Asset software) on April 6, 2017 revealed that two property items assigned to County Treasurer could not be located during physical inventory.

A comparison of five random property items located during physical inventory to the WASP system revealed that the information of four items in the WASP system is not accurate.

**Recommendation**

**Testing of WASP system**

Follow-up with IT to ensure that the property items assigned to Probate #1, especially the property identified in this finding, are accurate in the WASP system.

**Management Action Plan**

The monitor in question was switched by IT during the move to the Renaissance Tower. This was reported to the auditor's during the audit and was also reported to IT management as well. IT took the monitor that had been brought from the Records Bldg. in the move and switched it out with the current existing monitor when Court staff was not present.

**Auditors Response**

None

cc: Darryl Martin, Commissioners Court Administrator