



# AUDIT REPORT

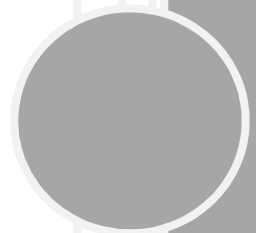
DALLAS COUNTY

Property Inventory District Clerk - FY2021

Darryl D. Thomas  
Dallas County Auditor

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# Property Inventory District Clerk - FY2021

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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 Felicia Pitre  
District Clerk  
Dallas, Texas

Attached is the County Auditor's final report entitled "Property Inventory District Clerk - FY2021" Report. In order to reduce paper usage, a hard copy will not be sent through in house mail except to the auditee.

In 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,

*Darryl D. Thomas*

Darryl D. Thomas  
County Auditor

## **EXECUTIVE SUMMARY**

A physical inventory of capital and non-capital property assigned to the District Clerk was performed on August 3, 2021. The review did not identify any significant observations

### **Summary of Significant Observations**

- None identified

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

- None identified

**Only those weaknesses which have come to our attention as a result of the audit have been reported. It is the responsibility of the department management to establish and maintain effective internal control over compliance with the requirement of laws, regulations, and contracts applicable to the department.**

## **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 audit procedures may include interviews with key process owners, observation of departmental processes, physical count of a sample of 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

### **District Clerk Inventory**

A sample review of inventory items assigned to the District Clerk's Office revealed three capital assets from the Oracle Fixed Assets Report valued at \$58,852.59 were not physically located; one surplus capital asset was still listed on the Oracle Fixed Asset system; one capital asset was located at a different location than was listed on the report Oracle Fixed Asset Report; and one capital asset listed on the Oracle Fixed Asset Report was not located. **Status:** Two of the items that were not physically located had been removed by Facilities during Frank Crowley's second floor renovation. The department indicated the third item had been surplus; however, a P280 transfer form was not provided upon request.

Dallas County Code Sec. 90.373 states that all department heads and elected officials are responsible for maintaining property assigned to their department, proper inventory records, and making appropriate reports as required. It is the sole responsibility of the elected official/department head to which property is assigned to maintain a proper accounting of all property through proper inventory records. Per Dallas County code sections 90-313(3) and 90-446, the management of personal property within the county shall adhere to guidelines related to the transfer of property, either interdepartmental, or from surplus must be approved by the Commissioners court and must use the Form 280.

Inconsistent management review of processes related to property inventory resulted in incomplete/inaccurate property inventory records and increased the potential for loss or misuse of property inventory.

### **Recommendation**

#### District Clerk Inventory

District Clerk management should:

- Contact the Purchasing Department to request FAMP be updated to reflect current property on hand.
- Contact the Financial Audit section of the County Auditor's Office to request Oracle Fixed Asset Module list be updated to reflect current property.
- Perform an annual inventory review and report any discrepancies to the Purchasing Department or Financial Audit.
- Provide P280 documentation/court orders to remove items no longer in possession of Dallas County.
- Adhere to Dallas County codes related to property inventory.



## **Management Action Plan**

- Items located at the Frank Crowley courts operations originally purchased in 1989 including the "mobile filing system" and its fixed rail system embedded into the floor, and modular furniture, tag numbers 64353L and 92244L, were removed in 2020 by the vendor employed to remodel the second floor under the direction of Dallas County administration/Facilities Management. The items were not captured on P-280s prior to their liquidation.
- The P-280 submitted in connection with the Formax tag number 94694 was properly submitted but not subsequently forwarded to purchasing to remove from the FAMP. District Clerk administration has notified the purchasing department to remove the item.
- The department believes the Auditor is in error. There are two (2) ScanPro i 9300 units, one located at George Allen Courts Building and another at Frank Crowley. It appears that one of the units has not been entered onto the FAMP by purchasing and the one that is has been mis-located in the report. District Clerk administration will endeavor to correct the error.
- The Formax #05D0619 was replaced in 2015 and the department believes it was properly surplus. The department acknowledges that it cannot locate a copy of the P-280 submitted in connection with the surplussing of the item. District Clerk administration notified Purchasing to update the FAMP to reflect the surplus item in September of this year. District Clerk administration has previously notified the financial audit section of the County Auditor's Office to request the Oracle Fixed Asset Module list be updated on several occasions but the Auditor's office has not made that change. District Clerk administration escalated the issue to the Auditor's deputy administrator in September of this year.

## **Auditors Response**

- None

cc: Darryl Martin, Commissioners Court Administrator