



AUDIT REPORT

DALLAS COUNTY

ROAD & BRIDGE DISTRICT #4 INVENTORY - FY2023

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First Assistant County Auditor

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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 Elba Garcia, DDS
District 4 Commissioner
Dallas, Texas

Attached is the County Auditor's final report entitled "**Road & Bridge District #4 Inventory - FY2023**" 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,

Wessen B. Stefanos

Wessen B. Stefanos
First Assistant County Auditor

EXECUTIVE SUMMARY

The District 4 Road & Bridge Service Center is located at 4403 West Illinois Avenue, Dallas, Texas 75211. Principal areas of responsibility include maintenance and repair of Dallas County roads and bridges as well as those of other municipalities that have maintenance contracts with Dallas County. During fiscal year 2023, District 4 was responsible for maintaining 0.495 road miles, excluding the miles maintained under contract with other municipalities. Management of Road and Bridge 4 is overseen by Commissioner Elba Garcia. Staff includes two administrative assistants, a road superintendent and an office manager.

This report is intended for the information and use of management. A summary of significant observations is listed below:

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 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 audit covered the period of August 16, 2022, through August 15, 2023.

The attached report represents the unaudited counts provided by Road & Bridge 4.



DETAILS

Inventory Review Summary

Operational practices and review steps relevant to inventory should include procedural controls that provide reasonable assurance of accurate record-keeping for diesel fuel purchases and usage. Periodic inventory counts should be performed during the fiscal year to update inventory records for all stock card items with current unit prices and quantities on hand.

On August 15, 2023, a physical inventory of Road and Bridge District No. 4's storeroom supplies, fuel, lube, and road materials inventory valued at \$38,543.60 was performed.

Road and Bridge District No.4 purchases inventory items as needed. Prior to the inventory count, the Auditor's Office received departmental inventory records with a total of 46 unique items with 37 having zero inventory. A sample review of 13 out of 37 items with a quantity of zero were confirmed by audit staff. In addition, nine items with a quantity available were verified in inventory without any variances.

In addition, a review of diesel, battery, and tire purchases and issuances was performed to verify if balances were fairly stated for the fiscal year 2023 audit period and no issues were identified.

Recommendation

Inventory Review Summary

Management should continue maintaining reviews of inventory stock cards, daily fuel sheets, and monthly diesel report comparisons to store cards prior to submission to Financial Audit for recording to accounting records.

Management Action Plan

N/A

Auditors Response

N/A

cc: Darryl Martin, Commissioners Court Administrator