

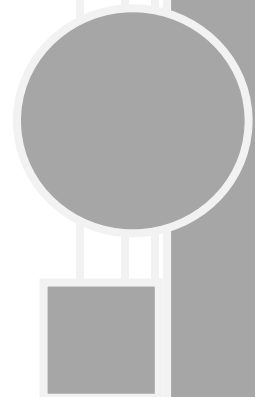


AUDIT REPORT

DALLAS COUNTY

2020 SHERIFF'S PHOTO LAB INVENTORY

Darryl D. Thomas
Dallas County Auditor
ISSUED: November 11, 2020
RELEASED: January 08, 2021



2020 SHERIFF'S PHOTO LAB INVENTORY

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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 Marian Brown
Dallas County Sheriff
Dallas, Texas

Attached is the County Auditor's final report entitled "**2020 Sheriff's Photo Lab Inventory**" 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 that reads "Darryl D. Thomas". The signature is written in a cursive style with a long horizontal flourish at the end.

Darryl D. Thomas
County Auditor

EXECUTIVE SUMMARY

We did not performed the annual physical inventory of the Sheriff's Digital Imaging (Photo) Lab located at 2121 French Settlements due to work place social distancing mandated by the State of Texas for FY 2020. We solely rely on the department record and physical count to evaluate and report the financial record of Sheriff's Photo Lab. The lab is managed and staffed by civilian employees. The lab is responsible for providing most of the digital imaging (photographic) needs of Dallas County and other outside law enforcement agencies.

Summary of Significant Observations

- None noted from testing.

Repeat observations from Previous Audits:

Photo Lab job tickets are not matched to invoices and amounts collected per the general ledger

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 October 1, 2019 through September 30, 2020.

The audit procedures will include interviews with key process owners, observation of transactions processing, data analysis and sample testing of transactions. The main system used will also be reviewed and incorporated as part of the testing of transactions.

DETAILS

Inventory Count

We reviewed the Photo Lab's inventory on 8/28/20 and identified:

- The Photo Lab does not record the cost of inventory and thus, we were not able to compare the 2020 auditor's inventory valuation calculated at \$19,861.27 to the Photo Lab's inventory records.
- The Photo Lab does not maintain, record, and track changes in inventory (additions and usage).

According to Dallas County policy Section 90-371(6), "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." These instances occurred because the Photo Lab only counts the number of items in inventory once a year. As a result, the Photo Lab cannot determine the value of their inventory and track inventory changes on demand.

Recommendation

Inventory Count

Perpetual inventory records should be established to allow for immediate tracking of inventory levels, point in time inventory value, sales, and expenses. This system should detail: item descriptions, unit prices, quantities received, quantities issued, quantities on hand, a consistent unit of measurement for inventory, and financial values of each item and total inventory value. Records should be updated timely and accurately as new purchases occur and inventory is used.

Management Action Plan

- Findings are noted and will look into improving the current practice.

Auditors Response

None

cc: Darryl Martin, Commissioners Court Administrator