



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER _____

PAGE 1 OF 6

DATE: 09/17/2024

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT FOR THE
COUNTY OWNED INVENTORY AND DISPOSITION PROCESS**

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court receive and file the Auditor's Report for the County Owned Inventory and Disposition Process.

BACKGROUND

The Auditor's Office performed a review to evaluate the controls over the County's asset inventory process. The objective of the review was to determine whether adequate controls were in place to ensure the annual inventory process complied with statute and County policy.

FISCAL IMPACT

There is no direct fiscal impact associated with this item.

SUBMITTED BY: Auditor Office

PREPARED BY: Matthew Jones
APPROVED BY: Kimberly M. Buchanan

Kimberly M. Buchanan, CPA
Tarrant County Auditor

Linda R. Castillo
First Assistant County Auditor



Office of the Tarrant County Auditor
100 E. Weatherford, Room 506
Fort Worth, Texas 76196-0103

Phone (817) 884-1205
Fax (817) 884-1104

August 27th, 2024

Melissa Lee, Tarrant County Purchasing Agent
Andre Mendes, Tarrant County Chief Information Officer
The Honorable District Judges
The Honorable Commissioners Court
Tarrant County, Texas

Re: Auditor's Report – County Owned Inventory and Disposition Process


In accordance with the Local Government Code, the Auditor's Office performed a review of the controls over the County's asset inventory process. The objective of the review was to determine whether adequate controls were in place to ensure the annual inventory process complied with statute and County policy. As a result of our review, we observed that controls over the annual asset inventory process need improvement. This issue and management's action plans are described in further detail on the following pages.

Local Government Code Section 262.011(i) requires the Purchasing Agent to submit the list of assets representing the inventory of all County property by July, 1st of each year. The County Auditor is required to reconcile the inventory list provided by the Purchasing Agent to the County's financial records. Due to the volume of assets owned by Tarrant County, the annual process relies on self-assessments by the individual departments. Each department head and elected official is responsible for the equipment and furnishings assigned to their department.

The Purchasing Department is responsible for the inventory of non-computer related assets and updating the assets into SAP. The Purchasing Department provides each County department an Annual Asset Inventory Report that lists equipment and furnishings assigned to their department. The Information Technology Department (ITD) is responsible for the inventory of computer-related assets. As of the date of the inventory, January 31, 2024, the County's Asset Management System included 29,758 assets consisting of vehicles, equipment, furniture, computers and software with an acquisition cost of \$235,846,014 (excluding CSCD). The net book value of these assets, after depreciation, total \$63,924,412.

We appreciate the cooperation of your staff during our review. If you have any questions, please do not hesitate to contact me.

Sincerely,


Kimberly M. Buchanan, CPA
Tarrant County Auditor

Distribution: Chandler Merritt, Tarrant County Administrator
Christopher Lax, Assistant Purchasing Agent
Russell Scott, Deputy CIO

INTERNAL AUDIT REPORT
COUNTY OWNED INVENTORY AND DISPOSITION PROCESS
August 27th, 2024

- f. Update the asset policy to allow deactivation of assets that are no longer required to be tracked or a change in asset classification without requiring Commissioners Court approval.
2. We recommend ITD:
- a. Incorporate all low value technology assets (including hardware and software) in the annual report from ITD to the Asset Coordinators for verification.
 - b. Use the NOIT (IT Not Tracking) Asset Status when requisitions are submitted to the Auditor's Office. The Auditor's Office will be responsible for issuing asset tags for low value technology assets.



INFORMATION TECHNOLOGY

**Chief Information
Officer**
André Mendes

**Executive Assistant
to CIO**
Cecilia Webb

Deputy CIO
Russell Scott

**Information Security
Officer**

**Project Portfolio
Management Office
Director**
Adepeju Ajunwon

**IT Service Delivery
Director**
Carolyn J. Bogan

**Network & Data
Center Infrastructure
Director**
Anthony Jackson

**Business Application
Development & Support
Director**
Michael Webb

*Our vision is to be the best IT
organization in state and
local government within the
United States.*

200 Taylor Street
Fort Worth, TX 76196

Phone: 817.884.3888
Fax: 817.212.3060

www.tarrantcountytx.gov

August 27, 2024

Ms. Kimberly M. Buchanan
Tarrant County Auditor

Re: Auditor's Report - County Owned Inventory and Disposition Process

Dear Ms. Buchanan:

Tarrant County Information Technology Department (ITD) is in receipt of the August 27, 2024, draft Auditor's Report. ITD concurs with the findings and has no suggested changes to the proposed language.

Respectfully,

André V. Mendes
Chief Information Officer

Cc: Mr. Chandler Merritt, County Administrator