



# MEMO

OFFICE OF THE INTERNAL AUDITOR

**To:** All County Council Members and Executive Pollitt  
**From:** Steve Roser  
**Date:** April 21, 2014  
**Re:** Assets Audit Follow-up

**Message:**

On April 7, 2014, a question arose concerning assets at Solid Waste. The Solid Waste accountant reviewed the asset list for Solid Waste and wished to make some corrections. Some of the assets could not be located. Others consisted of assets transferred to other departments (mainly Roads Division) and repairs booked as assets. During the performance phase of the Assets Audit, IA performed some modified discovery testing<sup>1</sup> for assets listed in MUNIS and found no issues with the assets tested.

IA reviewed the list provided and interviewed the Solid Waste accountant on April 8, 2014. Although the discovery testing performed during the audit revealed no significant problems, there may be a disconnection between the Solid Waste records and MUNIS records for assets. Of 108 assets listed, ten could not be identified. Subsequent work performed by the Solid Waste accountant secured a paper trail on the fate of some the missing assets. Some were transferred, others were sold or scrapped, and still others were miscommunicated. Many of the assets in question were ten years old or more. Work is still ongoing and IA will follow-up on the results.

Based on this new finding, it may be prudent for managers in all departments to look at their booked asset situation. Although discovery sampling revealed no problems, it is clear that the possibility exists for booked asset misidentification in the county.

---

<sup>1</sup> Our modified discovery testing consisted of developing a non-biased sample of assets from the MUNIS list. We chose 34 items and tested 28 (some of the chosen assets did not lend themselves to testing mainly because they were components of other assets or were systems in multiple locations). We asked various departments to identify the items from the MUNIS description. If a single asset in our sample could not be identified, we would then expand the sample and investigate further (thus "discovery" sampling). As it turned out, all 28 items tested were readily identified and we did not expand the sample.