

Office of the City Auditor and Clerk

Internal Audit



CITYWIDE INVENTORY OBSERVATION

Audit #24-01

Audit Conducted by:

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A handwritten signature in blue ink that reads "Shayla Griggs".

Audit Reviewed and Approved by:
Shayla Griggs, City Auditor and Clerk

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#24-01 Fiscal Year End 2023 Citywide Inventory Observation Report

Purpose and Scope

This report is based upon the observations of inventory counts for the City’s major inventory accounts. This report is limited in detail to those departments observed. We did not perform test counts, verify inventory costs or other audit procedures. We are therefore not expressing an opinion on compliance with city and facility policies and procedures.

The scope of this report is limited to include observations from three city inventories, and review of one departmental inventory report.

Observations and Reviews

Three (3) inventory counts were observed:

1. Utilities
2. Public Works (Fuel)
3. Sarasota Police Department

One (1) additional inventory report was received and reviewed:

4. Payne Park Tennis Center

The following table summarizes inventory information by Department or Division:

Department or Location	Automated System in Use?	Ending Inventory Balance as of 9/30/2023	Percent of Reported 2023 Inventory Balance
Utilities	Yes	\$317,828.29	76.3%
SPD Quartermaster	Yes	\$18,999.98	4.6%
Public Works - Fuel	Yes	\$73,913.44	17.6%
Payne Park Tennis Ctr	No	\$228.30	.1%
Van Wezel PAH	No	-	-
R. L. Taylor CC	No	\$1,127.82	.3%
Bobby Jones Golf Course	Yes	\$4,652.70	1.1%
Total Inventory Value		\$416,750.53	100.00%

Utilities

On October 2, 2023, the Utilities Department Finance Manager conducted the inventory process with the auditor observing. Five (5) separate sections within the department currently maintain inventory items valued at more than \$1,000 each. Divisions within Utilities with inventory:

1. Water Distribution Warehouse
2. Lift Station Warehouse
3. Wastewater Sewer Collection Warehouse
4. Water Treatment Warehouse
5. Collection Systems Warehouse

Auditors observed inventory counts on multiple sites within the utilities compound. All inventoried items were properly secured, located, and identified during the inventory. Inventory procedures appeared to be followed during this process.

Sarasota Police Department Quartermaster

On September 29, 2023, Sarasota Police Department Quartermaster supplies were inventoried by the SPD Finance Manager and Quartermaster Inventory Supervisor with the auditors present for the count. All the listed inventory items were identified and properly stored. No discrepancies were found, and inventory procedures were followed.

The SPD Inventory Supervisor mentioned that after consulting with the City Auditor's Office, a new accounting method has been implemented due to the inception of Workday.

Public Works - Fuel

On October 2, 2023, Internal Audit observed the stick measurement of the diesel and unleaded fuel storage tanks conducted by the Fleet Services Shop Foreperson. The stick measurement was compared to the Veeder-Root inventory reports noting comparable quantities between the two. Additionally, inventory procedures were followed during this process.

Unleaded fuel on hand was measured at 10,571 gallons; diesel at 10,550 gallons with a combined total value of \$73,913.44.

Other Facilities

On October 26, 2023, Internal Audit met with the General Manager of Parks and Recreation and observed inventory at Payne Park Tennis Center. The General Manager informed Internal Audit that a vendor will be taking over concessions starting in early 2024. Payne Park Tennis Center's year-end inventory report was reviewed for completeness. No issues with this inventory report were identified.