

OFFICE OF THE CITY AUDITOR AND CLERK
INTERNAL AUDIT



CITY-WIDE INVENTORY OBSERVATION

AUDIT #22-01

Audit Conducted by:
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Audit Reviewed and Approved by:

A handwritten signature in blue ink that reads "Shayla Griggs". The signature is written in a cursive style with a large initial 'S'.

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#22-01 Fiscal Year End 2021 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 only observations from four City inventories, and reviews of three departmental inventory reports.

Observations and Reviews

Four (4) inventory counts were observed:

1. Utilities
2. Sarasota Police Department Quartermaster
3. Public Works - Fuel
4. Robert L. Taylor Community Complex

Four (4) additional inventory reports were received and reviewed:

5. Van Wezel Performing Arts Hall
6. Payne Park Tennis Center
7. Municipal Auditorium
8. Bobby Jones Golf Course

The following table summarizes inventory information by Department or Division:

Department or Location	Automated System in Use?	Ending Inventory Balance as of 9/30/2021	Percent of Reported 2021 Inventory Balance
Utilities	Yes	\$117,850.82	55.2%
SPD Quartermaster	Yes	\$23,992.41	11.2%
Public Works - Fuel	Yes	\$65,633.48	30.7%
R. L. Taylor CC	No	0	0%
Van Wezel PAH	No	\$763.85	.4%
Payne Park Tennis Ctr	No	\$751.99	.4%
Municipal Auditorium	No	0	0%
Bobby Jones Golf Course	Yes	\$4,652.70	2.1%
Total Inventory Value	-	\$213,645.25	100%

Utilities

On September 30, 2021, Utilities Department Finance Manager conducted the inventory with the auditors 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

Each department has locked storage areas for maintaining stores. Video cameras have been installed throughout the facility with two locations available for onsite monitoring. All inventoried items were properly secured, located, and identified during the inventory.

Each division within Utilities orders inventory on its own and notifies the Utilities Finance Manager of items placed into service or additional purchases of new items into inventory. All inventory purchased is received at one central location by Utility Stores. Observed inventory counting procedures appeared to be in accordance with current policies and procedures.

Sarasota Police Department Quartermaster

On September 30, 2021, Sarasota Police Department Quartermaster supplies were inventoried by the SPD Finance Manager and Quartermaster Inventory Supervisor using a blind count with the auditors observing. Inventory has been further consolidated from prior years. Property remains in the same secure storage area as in prior years. Observed inventory counting procedures appeared to be in accordance with current policies and procedures.

Public Works - Fuel

On October 1, 2021, Crew Leader I, with the auditors observing, both diesel and unleaded gasoline tanks were measured and compared with Veeder-Root fuel sensor system readings. Veeder-Root measurement readings from 9/30/21 were also obtained. Deliveries are received two to three times monthly for gasoline, and twice monthly for diesel. Delivery drivers stick measure tanks after each delivery to confirm delivery amount. Unleaded fuel on hand was measured at 14,238 gallons; diesel at 10,555 gallons with a combined total value of \$65,633.48. Observed inventory counting procedures appeared to be in accordance with current policies and procedures.

Robert L. Taylor Community Complex

On October 1, 2021, Administrative Specialist, and another staff member, with the auditors observing, counted and disposed of expired snacks, candy and beverages. After the Covid-19 facility shut down, all food items on hand now exceeded their use-by date. Boxes were first blind counted then emptied into trash bags. Photographs were taken to document the process and sent to Finance with the list of items and the value of the loss on the inventory items. After the disposal of expired items, there was no current inventory.

Other Facilities

The Van Wezel Performing Arts Hall Fiscal year-end inventory report was reviewed for completeness. No issues with this inventory report were identified.

Payne Park Tennis Center's year-end inventory report was reviewed for completeness. No issues with this inventory report were identified.

The Municipal Auditorium reported no current inventory on hand.

The Bobby Jones Golf Course year-end inventory report was reviewed for completeness. Although Bobby Jones Golf Course is closed there was a small balance of inventory remaining. No issues with this inventory report were identified.