



HARFORD COUNTY, MARYLAND

Office of the County Auditor

REVIEW OF FIXED ASSETS AND INVENTORY CONTROLS

Report Highlights

Report Number: 2018-A-04

Date Issued: 05/23/2018

Why We Did This Review

This engagement was conducted as part of the County Auditor's risk-based Annual Audit Plan approved by the County Council for FY2018.

What We Found

We noted that management has designed controls to ensure fixed assets and inventory are protected from loss and properly accounted for.

Updated processes are currently being implemented.

Audit Team:

Chrystal Brooks
CPA, CIA, CGAP, CISA, CGFM,
CRMA
County Auditor

Sarah Self, CIA
Staff Auditor

Council Members and County Executive Glassman:

In accordance with Section 213 of the Harford County Charter, we have reviewed Harford County's controls over Inventory and Fixed Assets. Based on our preliminary planning for this engagement, we determined that management is changing its current practices so a complete audit would not add value at this time; we decided that a nonaudit service would be more appropriate. This engagement was conducted in accordance with *International Standards for the Professional Practice of Internal Auditing*. Our objectives were to 1) assess the design, but not the effectiveness, of relevant processes for inventory and fixed assets across various departments 2) make recommendations for improvement where appropriate and 3) update this process in the auditor's County-wide Risk Assessment.

This letter serves as communication of the completed project and confirmation that we provided informal recommendations to the Director of Administration. The information that we learned during this project will be reflected in our County-wide risk assessment and will reduce the amount of work required when we audit the processes' effectiveness in a later audit.

A significant number of departments were involved in this review; we would like to thank the members of management for their cooperation. The audit team is available to respond to any questions you have.

Sincerely,

A handwritten signature in cursive script that reads "Chrystal Brooks, CPA".

Chrystal Brooks
County Auditor