



## COUNTY OF PLACER

## OFFICE OF AUDITOR-CONTROLLER

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February 6, 2020

Mr. Jarrett Thiessen, Chief Information Officer  
Placer County Department of Information Technology  
2986 Richardson Drive  
Auburn, CA 95603

Re: Transfer of Accountability of Assets Follow-Up Review

Dear Mr. Thiessen:

The Internal Audit Division of the Auditor-Controller's Office performed a follow-up review to our prior Transfer of Accountability of Assets Review for the Department of Information Technology (IT Department). Due to the County re-organization, the Administrative Services Department was dissolved, and its divisions of Information Technology and Telecommunications became the new IT Department. The objective of our procedures was to determine how the recommendations from our previous review were implemented. Our procedures included inquiries of the IT Department personnel along with reviews of supporting documentation relating to our recommendations in our previous report.

The following is a summary of our observations and recommendations along with the IT Department's responses from the previous report dated May 1, 2019, which is then followed by the status of the IT Department's implementations of our recommendations.

### Missing Capital Asset

During our testing of the Department's capital assets, we noted the Department could not locate Fixed Asset #30977 Dell Autodialer (s/n: 0T7570) with net value of \$1,854 at 12/31/2018.

Due to the misplacement of Fixed Asset #30977 Dell Autodialer (s/n: 0T7570), the IT Department should submit a memorandum to the Auditor-Controller, requesting a release from accountability for the capital asset that was misplaced. Once this memo is received, the Auditor-Controller's Office will update Workday to reflect the reduction in the asset's value due to disposal.

### IT Department's Response:

*Asset #30977, Dell Autodialer (s/n: 0T7570), was identified as a non-operational piece of equipment and was transferred from the Health and Human Services Department (HHS) to the Administrative*

*Services Surplus sub-location on November 12, 2014. At that time, the Autodialer was not identified as a fixed asset on the transfer form and was not transferred in the system as a capital asset to the Surplus sub-location. Non asset equipment is disposed of as E-waste from Surplus and are not tracked individually, therefore no record of this final asset disposal can be located.*

*In January 2018, HHS staff emailed Administrative Services about three fixed assets that were identified in their inventory that were thought to belong to Information Technology (IT). After further research, it was confirmed that the three assets in question were in the IT Department and HHS staff sent the transfer forms to be signed. When the transfer forms were received, there was a fourth asset #30977 included, which was signed for and transferred to IT/Telecom sub-location 1105 inadvertently. Asset #30977, Dell Autodialer, is not a piece of equipment that belongs to IT as it was sent to Surplus in 2014 and needs to be taken off the sub-location 1105 capital asset inventory list.*

*Going forward, when signing and approving the transfer of a capital asset, a physical count will take place to ensure the information is accurate prior to approving the transfer.*

#### **Status – Implemented During Follow-Up Review**

**We noted the IT Department had not submitted the required memorandum to the Auditor-Controller's Office to release the accountability of the capital asset that was misplaced prior to the start of our follow-up review. However, during the course of the review, the IT Department submitted the memorandum to the Auditor-Controller on December 13, 2019 to request a release from accountability for the Dell Autodialer #30977 that is on the current capital asset inventory list. The request was subsequently approved on December 18, 2019.**

#### Non-Capital Assets

Based on our review, we noted the Department does not have a central location/division that maintains the complete record of the Department's non-capital assets, such as laptops, cell phones, small printers, portable scanners, etc., thus making it difficult to ensure all County property is accounted for and all issued property is returned upon separation of an employee. Due to the Department not having a current centralized tracking methodology in place for non-capital assets, we were not able to rely on data provided and test the existence of the Department's non-capital assets nor provide a determination if non-capital assets of the Department has been properly transferred.

We recommend the IT Department develop a methodology to track and maintain the complete record of the IT Department's non-capital assets, such as laptops, cell phones, small printers, portable scanners, etc., in a central location, to ensure all County property is accounted for and all issued property is returned upon separation of an employee. We also recommend the IT Department utilize this record as part of an exit checklist to ensure all issued property is returned upon separation of an employee.

IT Department Response:

*The IT Department acknowledges that a comprehensive report is not currently available listing all non-capital assets from a single centralized system. The IT Department records the deployment of non-capital assets in multiple systems based on the type of equipment and the program/division managing the equipment. Reports on non-capital devices issued to individual users are available but data must be gathered from multiple systems. Laptop and desktop computers are tracked in the ServiceNow asset tracking system and a comprehensive report for all department users is currently available from ServiceNow. The IT Department will add other non-capital assets, such as cell phones, tablets, and small printers, to the ServiceNow asset tracking system. The non-capital asset report will be available in ServiceNow by October 30, 2019.*

**Status – Partially Implemented**

**The IT Department developed a methodology to track and maintain a complete record of non-capital assets such as computers, smart phones, and printers in the ServiceNow Asset Management System. Also, the Department updated its Exit Policy to include procedures to ensure the accountability and return of the County property.**

**However, we noted that the report used to track and maintain the complete record of non-capital assets only contains identifying information for the non-capital assets (e.g., asset name, division, model category and display name) but does not have information about the user assignment for those non-capital assets. Thus, the IT Department may not successfully ensure that all issued property is returned upon separation of an employee. The IT Department is planning to rollout a process on February 1, 2020, to give supervisors and managers access to update the user assignment for non-capital assets in the Inventory Report.**

The IT Department's responses to our recommendations identified in our original report dated May 1, 2019 are included above. We did not audit the responses and accordingly, we do not express an opinion on them.

We appreciate the courtesy and cooperation of the Department's staff throughout the course of this review.

Respectfully,



Nicole C. Howard, CPA  
Assistant Auditor-Controller

cc: Melissa Spak, Administrative and Fiscal Operations Manager  
Placer County Audit Committee