



COUNTY OF LEHIGH
OFFICE OF THE CONTROLLER

LEHIGH COUNTY GOVERNMENT CENTER
17 SOUTH SEVENTH STREET
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THOMAS SLONAKER
COUNTY CONTROLLER

JOHN A. FALK
DEPUTY CONTROLLER

TO: Final Distribution
FROM: Thomas Slonaker, County Controller
DATE: April 28, 2010
RE: Office of Information Technology Computer Equipment Inventory

The controller's office has completed an internal audit of the Office of Information computer equipment inventory for October 2, 2009. Our audit report number 10-7 is attached.

The results of our audit are:

- Generally, the inventory list of computer equipment was accurate and asset movement was properly handled.
- A retention policy for movement forms was established and forms are in process of being scanned and held electronically. Movement forms should be pre-numbered.

Attachment

COUNTY OF LEHIGH

COMPUTER EQUIPMENT INVENTORY

OCTOBER 2, 2009

REPORT NO. 10-7

COUNTY OF LEHIGH, PENNSYLVANIA
COMPUTER EQUIPMENT INVENTORY

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Troy Stone, Chief Information Officer
Office of Information Technology
Lehigh County Government Center
17 South Seventh Street
Allentown, PA 18101-2400

We have recently completed an internal audit of the Office of Information Technology computer equipment inventory. The scope of our detail audit testing was based upon the October 2, 2009 inventory. Our objectives were:

- Determine the accuracy of the Office of Information Technology inventory list of computer equipment.
- Determine if inventory procedures relating to the disposal and transfer of equipment is being followed.
- Determine that adequate control procedures are in place for the recording and removal of equipment from the inventory list.

We conducted our audit in conformance with the "*International Standards for the Professional Practice of Internal Auditing*", promulgated by the Institute of Internal Auditors. Our audit included examination of the accounting records, documentation, discussions with the Office of Information Technology and other county personnel, and such other auditing procedures we considered necessary in the circumstances.

We concluded that generally the inventory list of computer equipment was accurate and asset movement was properly handled and recorded but some issues were noted.

A complete description of our recommendations is detailed in the accompanying "*Schedule of Audit Findings and Recommendations*".

We wish to thank to the Office of Information Technology for their cooperation during our audit. This report is intended for the information and use of the Office of Information Technology and other affected county offices. However, this report is a matter of public record and its distribution is not limited.

THOMAS SLONAKER
County Controller

April 27, 2010
Allentown, Pennsylvania

xc: Board of Commissioners
Donald T. Cunningham, Jr., County Executive

Brian L. Kahler, Fiscal Officer
Thomas S. Muller, Director of Administration

COUNTY OF LEHIGH, PENNSYLVANIA
COMPUTER EQUIPMENT INVENTORY

Schedule of Audit Findings and Recommendations

1. **Internal Control - Inventory Control and Movement Forms**

Condition: Some of the movement forms supporting the placement of computer equipment were missing or possibly not received by Information Technology. It appears that some of the changes were reported to and made by Information Technology without movement forms. Inadequate control over computer-related inventory documentation could result in lost or stolen county property. Since the last audit, Information Technology management has adopted a policy to scan all documentation related to computer equipment transactions and is expected to begin doing so in the near future.

Recommendation: Computer equipment movement forms need to be automatically assigned a sequential control number. This will provide adequate internal control and help insure the integrity of the movement form process. This change will assist Information Technology management in easily identifying missing documentation and movements which were not authorized and then discovered during the semi-annual inventory process.



COUNTY OF LEHIGH
Office of Information Technology

Troy Stone
Director

TO: Robert Fenstermaker, Auditor

FROM: Troy Stone, Chief Information Officer
Susan Kaiser, IT/Purchasing Liaison *SK*

SUBJECT: **IT COMPUTER EQUIPMENT AUDIT**

DATE: April 27, 2010

Per your request, we are providing a response to your audit recommendation.

Controller's Office Recommendation:

Computer Equipment Movement forms need to be automatically assigned a sequential control number. This will provide adequate internal control and help insure the integrity of the movement form process. This change will assist Information Technology management in easily identifying missing documentation and movements which were not authorized and then discovered during the semi-annual inventory process.

IT Response:

Sequential control numbers would be conceptually ideal; however, this may not be feasible. IT CIO will determine practicality. Estimated implementation date will be late 2010 or early 2011.

Please feel free to call me directly at x-3313 if you have any questions.

Thanks,
Sue

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