




Lehigh County
— Pennsylvania

OFFICE OF THE CONTROLLER

Mark Pinsley, MBA Thomas Grogan, CPA
COUNTY CONTROLLER DEPUTY CONTROLLER

TO: Final Report Distribution
FROM: Mark Pinsley, County Controller 
DATE: December 17, 2021
RE: Compliance Audit – Administrative Notice 2019-01
Computer Equipment Inventory as of February 1, 2021

The Controller's office has completed an audit of compliance with Administrative Notice 2019-01. Our audit testing was based on the county computer equipment inventory listing as of February 1, 2021. Our audit report number 21-31 is attached.

The result of our audit is that the Office of Information Technology's management did not comply, in all material respects, with the requirements of Administrative Notice 2019-01.

Attachment

AUDITS/ADMINISTRATIVE NOTICE 2019-01 – INFORMATION TECHNOLOGY



COUNTY OF LEHIGH, PENNSYLVANIA
COMPLIANCE TO ADMINISTRATIVE NOTICE 2019-01

Computer Equipment Inventory
Dated February 1, 2021

REPORT NO. 21-31

COUNTY OF LEHIGH, PENNSYLVANIA
COMPLIANCE TO ADMINISTRATIVE NOTICE 2019-01
COMPUTER EQUIPMENT INVENTORY DATED FEBRUARY 1, 2021

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Management Response – Office of Information Technology	No Response

COUNTY OF LEHIGH, PENNSYLVANIA
COMPLIANCE TO ADMINISTRATIVE NOTICE 2019-01
COMPUTER EQUIPMENT INVENTORY DATED FEBRUARY 1, 2021

Background

Administrative Notice 2019-01, issued on September 1, 2019, outlines computer equipment and software responsibilities assigned to the Office of Information Technology management, to Department/Office/Bureau managers, and to individual users. Other Administrative Notices referred to in 2019-01 include:

- 2004-2 Use of Computer Systems and Facilities;
- 2001-4 Reporting Missing Personal and County Property

The information Technology Office management also issued Administrative Notice 2003-1 – Internet Policy, and Administrative Notice 2010-1, Technology Procurement and Project Implementation Policy.

County employees can access the above Administrative Notices on the county intranet under Human Resources Department, Administrative Notices.



OFFICE OF THE CONTROLLER

Mark Pinsley, MBA Thomas Grogan, CPA
COUNTY CONTROLLER DEPUTY CONTROLLER

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

Compliance

We have audited the Office of Information Technology's compliance with Administrative Code 2019-01. Our audit testing was based on the County computer equipment inventory listing as of February 1, 2021. Compliance with the requirements referred to above is the responsibility of the Office of Information Technology's management. Our responsibility is to express an opinion on the Office of Information Technology's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and the generally accepted government auditing standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on Administrative Notice 2019-01. An audit includes examining, on a test basis, evidence about the management of the Office of Information Technology's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Office of Information Technology's compliance with those requirements.

In our opinion, the Office of Information Technology did not comply, in all material respects, with the requirements referred to above that are applicable to Administrative Notice 2019-01 based on our audit of the February 1, 2021 County computer equipment inventory. We noted compliance deficiencies and other management issues that are described in the accompanying "*Schedule of Audit Findings and Recommendations*."

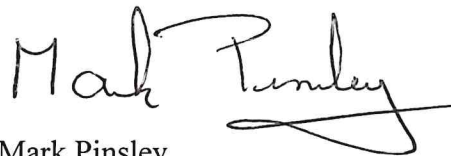
Internal Control Over Compliance

Management of the Office of Information Technology is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the Office of Information Technology's internal control over compliance to determine the auditing procedures for the purposes of expressing an opinion on compliance, but not for the purposes of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Office of Information Technology's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance on a timely basis. A material weakness in internal control over compliance is a deficiency or combination of deficiencies in internal control over compliance, such that there is reasonable possibility that a material noncompliance with a compliance requirement will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management; Phillips Armstrong, County Executive; Edward Hozza, County Administrator; Timothy Reeves, Fiscal Officer; and the Board of Commissioners and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



Mark Pinsley
County Controller

December 17, 2021
Allentown, Pennsylvania

Audited by Brian O'Donnell

xc: Phillips Armstrong, County Executive
Board of Commissioners
Edward Hozza, Jr., County Administrator
Timothy Reeves, County Fiscal Officer
Amanda Edge, Information Technology
Ed Youwakim, Information Technology



COUNTY OF LEHIGH, PENNSYLVANIA
COMPLIANCE TO ADMINISTRATIVE NOTICE 2019-01
COMPUTER EQUIPMENT INVENTORY DATED FEBRUARY 1, 2021

Schedule of Audit Findings and Recommendations

1. Inventories Were Not Completed Annually as per Administrative Notice 2019-01

Condition: Computer equipment inventories were not performed annually as required by Administrative Notice 2019-01. Prior to the current inventory (as of February 1, 2021), the last inventory was performed in December of 2018.

Recommendation: To be compliant with Administrative Notice 2019-01, IT should conduct an annual inventory of all County computer equipment. Also, as per the Administrative Notice, IT should be performing “spot checks” to ensure that County departments are in compliance with the Administrative Notice as well. These spot checks can help to identify missing and misplaced IT equipment in a timely manner and facilitate their recovery.

2. Inventory Lists Not Completed and Returned in a Timely Manner

Condition: IT had originally requested inventory lists to be returned from all County offices by the end of February, 2021. Most of the inventories were received in a timely manner, however, there were 11 of the 54 County offices who were at least six months late returning their inventories. Not only does this cause a delay in the audit process, but it makes it difficult for IT to maintain an accurate computer equipment inventory.

Recommendation: IT should develop a process by which to track which offices have returned their updated inventories. Regular review should identify the offices who have not returned their inventories. IT should then follow up with the department supervisor until the inventory is received.

COUNTY OF LEHIGH, PENNSYLVANIA
COMPLIANCE TO ADMINISTRATIVE NOTICE 2019-01
COMPUTER EQUIPMENT INVENTORY DATED FEBRUARY 1, 2021

Schedule of Prior Audit Findings and Recommendations

(The following issues were included in audit report 19-25 issued November 19, 2019)

1. Items Noted as “Missing” in the Current Inventory

Condition: Upon review of the items that were removed from the active inventory listings, there were 27 items that were noted as missing, including a laptop that the Controller’s Office noted as missing when performing their test of random equipment, which was confirmed as present on the IT listing. To date, 13 of these items have been located, or noted as recycled, moved to storage and sent to auction.

Current Status: Resolved. IT management contacted the respective departments and requested that they complete a “Supervisor’s Report of Lost / Stolen Property” for each missing item. The Controller’s office received the reports for each of the missing items.

2. Inventories Were Not Completed Semi-Annually as per Administrative Notice 2006-1

Condition: The inventories for 2010, 2011, 2012, 2013, 2014, 2015 & 2016 were done annually and not semi-annually as per Administrative Notice 2006-1. The notice says I.T. will conduct semi-annual inventory update mailings to all county offices. I.T. has a draft to revise the notice and change the inventory to an annual process.

Current Status: Resolved. As of September 2019, Administrative Notice 2006-1 has been revised and replaced with Administrative Notice 2019-1. As such, the Information Technology office will conduct an annual audit of the computer equipment within all County offices. This will allow for enhanced control of these resources and improve the accuracy in tracking all County computer equipment.

3. Computer Equipment Movement Form is not used as per Administrative Notice 2006-1

Condition: The movement form supporting the placement of computer equipment was unable to be accessed and used as per Administrative Notice 2006-1. The movement form didn’t work as intended and the process was changed to call the helpdesk or use the help desk form and get a ticket number. Computer equipment movement documentation is an essential requirement for proper safeguarding of county assets. I.T. has a draft to revise the notice which eliminates the use of the movement form and updates the process of equipment movements.

Current Status: Resolved. As of September 2019, Administrative Notice 2006-1 has been revised and replaced with Administrative Notice 2019-1. As such, if a computer item needs to be removed or relocated, the department will contact the Information Technology Help Desk by phone, email or by filling out the Help Desk Request form.

4. Internal Control – Inventory Control and Movement Forms

Condition: The movement forms supporting the placement of computer equipment could be missing or possibly not processed by Information Technology. Documentation control for the disposal, movement and change of computer equipment is inadequate. Inadequate control over computer related inventory documentation could result in lost or stolen county property.

Current Status: Resolved. As of September 2019, Administrative Notice 2006-1 has been revised and replaced with Administrative Notice 2019-1. As such, if a computer item needs to be removed or relocated, the department will contact the Information Technology Help Desk by phone, email or by filling out the Help Desk Request form. Additionally, Help Desk ticket requests are assigned sequential control numbers when they are received.