COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

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WENDY L. WATANABE
AUDITOR-CONTROLLER

September 17, 2013

TO: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe
Auditor-Controller

SUBJECT: **SHERIFF'S DEPARTMENT – EQUIPMENT AND SUPPLY WAREHOUSING REVIEW**

Based on issues noted in our review of procurement in one County department, your Board instructed the Auditor-Controller (A-C) to develop a risk-based plan to audit procurement operations, including a review of warehousing operations at all County departments. On February 15, 2012, we reported the results of our Sheriff's Department (Sheriff's or Department) Procurement Review to your Board. Due to the size of the Sheriff's operations, we separately reviewed the Department's compliance with County equipment and supply warehousing policies and procedures, including controls over both capital (cost over $5,000) and non-capital equipment.

Our review included interviewing Sheriff's personnel, evaluating equipment oversight and tracking, inventorying a sample of equipment and supplies, and observing warehouse operations. As of June 30, 2013, the Sheriff's had capital equipment (assets costing more than $5,000 with a useful life of more than one year) with a total acquisition cost of approximately $437 million, and 22 supply warehouses/stockrooms with inventory totaling $35.6 million.

Summary of Findings

We noted that the Sheriff's management needs to ensure the Department complies with County equipment and supply inventory requirements. The following are examples of areas for improvement:

- The Sheriff's needs to immediately complete a physical inventory of their non-capital equipment and investigate all discrepancies. The Department did not physically inventory three (75%) of the four locations we reviewed. The locations included items such as firearms and radios that were not physically counted and reconciled to records.

  In addition, we performed a physical inventory of firearms at the Department's Central Supply Warehouse and counted 815 firearms on hand. However, the Sheriff's records indicated that they had only 808 firearms, and the Department could not determine the reason for the discrepancy.

  The Sheriff's attached response indicates that they are drafting and sending a memo to all divisions instructing them to complete an annual physical inventory of non-capital equipment. In addition, subsequent to our review, the Department completed a physical inventory of firearms stored at its Central Supply Warehouse and did not identify any discrepancies between the physical count and the inventory records. They are continuing to review what might have contributed to the discrepancy that existed during our review.

- The Sheriff's needs to physically inventory their supply warehouses annually using two-person count teams. The Department did not physically inventory 10 (45%) of their 22 warehouses. In addition, for ten (83%) of the 12 warehouses where physical inventories were completed, the Department could not document that they used two-person count teams as required by County policy.

  The Sheriff's attached response indicates that the Department's Internal Audit Unit will coordinate with the applicable divisions to ensure that they conduct annual physical inventories and use two-person count teams.

- The Sheriff's needs to accurately report their supply inventory annually to the A-C. We reviewed the reported inventory at four warehouses and noted that the Department overstated inventory at one warehouse by approximately $12.4 million, and understated inventory at another warehouse by approximately $3.2 million. These misstatements resulted from miscategorization of radios as supply inventory, and not including police supply inventory (e.g., uniforms, holsters, etc.).

  The Sheriff's attached response indicates that the Internal Audit Unit will work with the warehouse managers and Fiscal Administration's General Accounting Unit to ensure all supply inventories are reported accurately to the Auditor-Controller.

- The Sheriff's needs to develop and maintain perpetual records for their supply inventory warehouses. The Department did not maintain perpetual inventory

records for nine (41%) of the 21 warehouses reviewed, with inventories totaling approximately $1.6 million.

The Sheriff's attached response indicates that they will implement perpetual inventory records at the required locations.

- The Sheriff's needs to separate the inventory and ordering duties, and ensure staff with physical custody of inventory/non-capital equipment do not have access to inventory/equipment records. We noted that 14 (40%) of the 35 employees reviewed with access to inventory records also had purchasing and/or payment access. In addition, we noted that staff with custody of firearms also have access to firearms records.

  The Sheriff's attached response indicates that they will ensure that supply inventory ordering and physical access are separated to the greatest extent possible. In addition, the Department will work with warehouse managers to segregate duties and/or develop compensating controls.

- The Sheriff's needs to ensure that staff track and monitor slow moving, obsolete, and overstocked items. Two (50%) of the four warehouses reviewed did not track slow moving inventory or establish minimum inventory levels, and the other two (50%) warehouses had not used 53% of the types of supplies (e.g., aircraft parts, office supplies, etc.) on hand for at least one year. We also noted that all 29 (100%) slow moving supplies we reviewed were no longer used by the Department.

  The Sheriff's attached response indicates that they will ensure that supply/warehouse managers monitor stock to identify slow moving, obsolete, and overstocked/understocked items.

- The Sheriff's needs to implement procedures to justify, approve and document inventory adjustments, and ensure that inventory requisitions are complete and approved before stock is issued. Two (50%) of the four warehouses reviewed do not have procedures to document the justification and approval for inventory adjustments, and the Department could not ensure that they completed and/or approved ten (33%) of the 30 inventory requisitions reviewed.

  The Sheriff's attached response indicates that they will develop standardized procedures to be used at warehouses to justify, approve, and document inventory adjustments. In addition, the Internal Audit Unit will review the procedures and assist in training warehouse staff.

Although this report is a review of the Sheriff's equipment and supply warehousing operations, we recommend that other County departments review these findings, and ensure the necessary controls are in place.

Details of these and other findings and recommendations for corrective action are included in Attachment I.

Review of Report

We discussed the results of our review with Sheriff's management. The Department's response (Attachment II) indicates general agreement with our findings and recommendations.

We thank Sheriff's management and staff for their cooperation and assistance during our review. Please call me if you have any questions, or your staff may contact Robert Smythe at (213) 253-0101.

WLW:RS:MP

Attachments

c: William T Fujioka, Chief Executive Officer
Leroy D. Baca, Sheriff
Sachi A. Hamai, Executive Officer
Public Information Officer
Audit Committee

SHERIFF'S DEPARTMENT EQUIPMENT AND SUPPLY WAREHOUSING REVIEW

Background and Scope

The Sheriff's Department's (Sheriff's or Department) Fixed Assets Unit is responsible for tracking capital equipment (assets costing more than $5,000 with a useful life of more than one year). The Sheriff's delegates responsibility for tracking non-capital equipment (portable equipment that costs less than $5,000 per item) and supply inventory to the Department's operating units. As of June 30, 2013, the Sheriff's had capital equipment with a total acquisition cost of approximately $437 million, and 22 supply warehouses/stockrooms with inventory totaling $35.6 million.

We reviewed the Sheriff's equipment and supply warehousing practices for compliance with County policies and procedures. Our review included interviewing Sheriff's staff and management, observing supply warehouse and stockroom operations, evaluating capital and non-capital equipment controls, and inventorying a sample of supplies and equipment.

COMMENTS AND RECOMMENDATIONS

EQUIPMENT

Non-Capital Equipment

County Fiscal Manual (CFM) Section 6.8.2 requires departments to inventory non-capital equipment (e.g., personal computers, cellular phones, firearms, etc.) every year, and maintain a department-wide list of all managers/supervisors who are responsible for non-capital asset equipment at each location. Each manager/supervisor must maintain a current listing of all non-capital equipment that includes the name of the individual to whom the item is assigned.

We noted that three (75%) of the four locations we reviewed do not annually inventory their non-capital equipment. We, along with the Sheriff's firearms custodian, performed a physical inventory of the Department's Central Supply Warehouse's (CSW) firearms and counted 815 firearms on hand. However, CSW's records indicated that they had seven less or 808 firearms, and the Department could not determine the reason for the discrepancy. The Department's attached response indicates that subsequent to our review, they completed a physical inventory of firearms stored at CSW and did not note any discrepancies in their records. The Department is continuing to review what might have caused the discrepancy that existed during our review.

We also noted that the Sheriff's does not maintain a department-wide list of the manager(s)/supervisor(s) at each location that are responsible for non-capital equipment. In addition, for one (25%) of the four locations reviewed, the location manager did not track the custodian of the non-capital equipment.

Recommendations

Sheriff's management:

1. **Immediately complete a physical inventory of non-capital equipment, investigate any discrepancies, and adjust non-capital equipment records to match physical inventory counts.**

2. **Ensure all locations complete a physical inventory of non-capital equipment annually.**

3. **Develop and maintain a department-wide list of the managers/supervisors responsible for non-capital equipment at each location.**

4. **Ensure managers/supervisors at each location track the name of individuals that are assigned non-capital equipment.**

Capital Equipment

CFM Section 6.1.3 requires departments to maintain an accurate list of all capital equipment (e.g., vehicles, helicopters, mid-range computers, etc.).

We noted that for five (11%) of the 45 capital assets reviewed, the Sheriff's capital asset list was not accurate. Specifically, the Department provided incorrect information (e.g., tag number, location, and asset description) for three assets and could not locate two assets from the list, totaling approximately $303,000. The missing assets from our sample were underwater police equipment and a fingerprinting machine.

Recommendations

Sheriff's management:

5. **Investigate the missing equipment identified during the audit, complete required disposal forms, and/or include these items on the Report of Equipment Loss form filed annually with the Auditor-Controller as required.**

6. **Ensure equipment lists are complete and contain accurate information.**

SUPPLY WAREHOUSING

Annual Physical Inventory

CFM Section 5.3.2 requires departments to complete a physical inventory annually of supplies valued at over $50,000 using two-person count teams. In addition, CFM Section 5.2.5 requires supervisors to investigate significant discrepancies between the physical count and inventory supply records.

We reviewed records for the Department's 22 warehouses/stockrooms and noted that for 10 (45%) warehouses, the Department did not complete a physical inventory. We also noted that for ten (83%) of the 12 warehouses that completed a physical inventory, the Department did not document that they used two-person count teams. Specifically, for four warehouses, staff did not sign the inventory documentation, and for six warehouses, only one staff signed the inventory documentation.

In addition, we noted that departmental supervisors did not always research discrepancies between inventory records and the physical counts to identify the cause of variances. Instead, the Department adjusted their inventory records to match the physical counts. For example, the inventory records indicated that the Department had 5,300 units of inmate shorts; however, the Department counted 3,400 units and did not investigate the discrepancy.

Recommendations

Sheriff's management:

7. **Ensure that staff conduct and document physical inventories of warehouses annually and use two-person count teams.**

8. **Determine the reason(s) for inventory count discrepancies, and implement corrective action.**

Accuracy of Reported Inventory

CFM Section 5.3.1 requires departments to report their supply inventories annually to the Auditor-Controller's (A-C) Accounting Division.

We reviewed four warehouses that completed a physical inventory in June 2012 and noted that the Department misstated their inventory reported to the A-C Accounting Division for two (50%) warehouses. Specifically, the Department overstated their June 30, 2012 inventory at one warehouse by approximately $12.4 million, and understated inventory at the other by approximately $3.2 million. These misstatements resulted from miscategorizing radios as supply inventory, and not including police supply inventory (e.g., uniforms, holsters, etc.).

Recommendation

9. **Sheriff's management ensure the accuracy of the supply inventories reported annually to the Auditor-Controller's Accounting Division.**

Segregation of Duties

CFM Section 5.2.3 requires departments to separate the functions of ordering, authorizing, receiving, conducting physical inventories, and recording transactions to ensure that supply inventory records are accurate and to reduce the risk of misappropriation.

We noted that the Sheriff's does not have adequate separation of duties for supply and non-capital equipment related functions. Specifically:

- For eight (53%) of the 15 inventory transactions reviewed, the employee who entered and/or approved the transaction in the supply inventory records also had physical custody of the supplies.
- Fourteen (40%) of the 35 users have access to inventory records and purchasing and/or payment functions in the County's electronic Countywide Accounting and Purchasing System (eCAPS).
- CSW staff that maintained the firearms records also had custody of the firearms.

Sheriff's management indicated that these issues are due to staffing shortages. However, to ensure that records are accurate and to reduce the risk of misappropriation, Sheriff's management should develop and implement compensating controls.

Recommendation

10. **Sheriff's management separate the inventory and ordering duties, and ensure staff with physical custody of supplies/non-capital equipment do not have access to supplies/equipment records, or develop compensating controls where necessary.**

Perpetual Inventory Records

CFM Section 5.2.6 requires departments to maintain perpetual inventory records for supplies valued over $50,000. Maintaining perpetual inventories helps staff to monitor inventory stock, and increases accountability and reporting accuracy.

The Sheriff's uses multiple perpetual inventory systems to track supplies at certain supply warehouses, including eCAPS Inventory Management, internally purchased inventory systems, and manual ledgers. However, we noted that for nine (43%) of the

21 warehouses reviewed, with inventories totaling approximately $1.6 million, the Department did not maintain perpetual inventory records. Supplies at these nine warehouses included food and office supplies.

Perpetual records help identify over/under stocked and/or missing items. Sheriff's management should develop and maintain perpetual records for their supply warehouses.

Recommendation

11. Sheriff's management develop and maintain perpetual records for their supply warehouses.

Inventory Efficiency

CFM Section 5.2.6 requires departments to monitor supply inventory for slow moving, obsolete, and overstocked items, and ensure that supplies are only ordered when needed. In addition, departments should ensure that they maintain an adequate level of stock.

We reviewed four warehouses that maintained perpetual inventory records and noted that the Department did not adequately monitor inventory at all four (100%) warehouses. Specifically:

- For two (50%) warehouses, the Department did not track slow moving inventory or establish minimum inventory levels. Supplies at these two warehouses included ammunition and radio supplies.

- For the other two (50%) warehouses, the Department did not adequately monitor inventory levels. Specifically, we noted that the Department had not used 992 (53%) of the 1,880 types of supplies (e.g., aircraft parts, office supplies, etc.) on hand for at least one year. We reviewed 29 of the supplies that had not been used, and noted that all of them are no longer needed by the Department.

  We also reviewed 20 low stock supplies from these two warehouses and noted that the Sheriff's had not evaluated reordering eight (40%) that were below established reorder points. This may result in shortages that impact the Department's ability to operate efficiently and effectively.

Recommendations

Sheriff's management:

12. Ensure staff track and monitor supply inventories for slow moving, obsolete, and over/understocked items.

13. **Dispose of obsolete or no longer used supplies in accordance with County policy.**

Inventory Transactions

CFM Sections 5.2.5 and 5.3.2 require management to approve supply inventory adjustments and requisitions before making adjustments to inventory records or issuing stock.

We noted that two (50%) of the four warehouses reviewed do not have procedures to document the justification and approval for inventory adjustments. Supplies at these warehouses included ammunition and aircraft parts with a total inventory value of approximately $14 million as of June 30, 2012. In addition, we noted that for ten (33%) of the 30 inventory requisitions reviewed, the Department did not document that the requisitions were approved. Specifically, in six instances the Department did not prepare a requisition, and in four instances management did not approve the requisition.

Recommendations

Sheriff's management:

14. **Develop and implement procedures to justify, approve, and document inventory adjustments.**

15. **Ensure inventory requisitions are completed and approved before stock is issued.**

Systems Security Access

CFM Section 8.6.3 requires departments to limit system access based on each user's responsibilities. Departments should also periodically review user access to ensure it is authorized and appropriate.

We noted that 21 (32%) of the 66 inventory systems users' security profiles we reviewed had systems access to supply inventory records or non-capital equipment records that they did not need for their job duties. In addition, the Department does not periodically review users' access role assignments for appropriateness.

Recommendation

16. **Sheriff's management develop procedures to periodically review user's access, and limit inventory access based on each user's responsibilities.**

Physical Security

CFM Section 5.2.5 requires departments to ensure that access to supply inventory is restricted to authorized employees. We noted that at one (25%) of the four warehouses reviewed, employees had access to the supply inventory (i.e., aircraft parts) even though their job responsibilities do not require this access.

Recommendation

17. Sheriff's management restrict warehouse and stockroom access to only appropriate management/staff.

Management Oversight

As indicated above, we noted a number of significant deficiencies in the Department's internal controls over inventory, such as inadequate records, inaccurate tracking and reporting, lack of required management approvals, etc.

It appears these weaknesses may be due in part to insufficient management oversight and inadequate training for warehouse staff and managers.

Recommendation

18. Sheriff's management increase the level of management oversight over inventory. Management should also provide training on County inventory policies and procedures where necessary, and monitor for compliance.

INTERNAL CONTROL CERTIFICATION PROGRAM

The A-C developed the Internal Control Certification Program (ICCP) to assist County departments in evaluating and improving internal controls over fiscal operations. Departments must review and evaluate controls in key fiscal areas, and certify that proper controls are in place, or that action is being taken to correct any deficiencies or weaknesses noted.

Many of the issues we noted in the Sheriff's inventory and equipment operations should have been identified when the Sheriff's completed their ICCP. Sheriff's management should ensure that ICCP questionnaires are completed accurately, all internal control weaknesses are identified, and an improvement plan is developed to address each weakness.

Recommendation

19. **Sheriff's management ensure that the Internal Control Certification Program questionnaires are accurately completed, all internal control weaknesses are identified, and an improvement plan is developed to address each weakness.**

County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169

LEROY D. BACA, SHERIFF

September 3, 2013

The Honorable Board of Supervisors
County Of Los Angeles
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Dear Supervisors:

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT'S RESPONSE TO THE AUDITOR-CONTROLLER'S REVIEW OF EQUIPMENT AND SUPPLY WAREHOUSING REPORT

The Auditor-Controller has completed its report of the Los Angeles County Sheriff's Department's (Department) compliance with Los Angeles County (County) Equipment and Supply Warehousing Policies and Procedures. The Department is in general agreement with the report findings and has implemented or initiated corrective actions in response to the recommendations in the report.

Attached is the Department's response to the Auditor-Controller's Equipment and Warehousing Review.

Should you have any questions regarding the Department's response, please contact Division Director Glen Dragovich at (323) 526-5191.

Sincerely,

LEROY D. BACA
SHERIFF

Attachment

AUDITOR-CONTROLLER'S EQUIPMENT AND WAREHOUSING REVIEW OF THE SHERIFF'S DEPARTMENT

RECOMMENDATIONS AND SHERIFF'S DEPARTMENT RESPONSES

SHERIFF'S EQUIPMENT- NON-CAPITAL

RECOMMENDATION 1:

Sheriff's management immediately complete a physical inventory of non-capital equipment, investigate any discrepancies, and adjust non-capital equipment records to match physical inventory counts.

Sheriff's Response to Recommendation 1: Agree

In August 2013 the Department completed a physical inventory of firearms stored at its Central Supply Warehouse and agreed the on hand "Out of Service" handguns with the inventory records. The recount of handguns included verification of each weapon's serial number to the inventory records and did not identify any discrepancies. We are continuing to review what might have contributed to the original discrepancy in the Auditor-Controller's count of September 2012 to ensure the inventory records reflect the weapons on hand in the warehouse.

A physical inventory of the Department's non-capital equipment is being coordinated with all of the Division's with emphasis on locations identified in the Auditor-Controller's report.

RECOMMENDATION 2:

Sheriff's management ensure that all locations complete a physical inventory of non-capital equipment annually.

Sheriff's Response to Recommendation 2: Agree

Administrative and Training Division (ATD) is drafting a memo to all Divisions instructing them to conduct an annual inventory of their non-capital equipment.

RECOMMENDATION 3:

Sheriff's management develop and maintain a department-wide list of the managers/supervisors responsible for non-capital equipment at each location.

Sheriff's Response to Recommendation 3: Agree

In the proposed memo from ATD instructing all Divisions to conduct a physical inventory, one of the requirements is to have each Unit Commander develop a list of assigned managers/supervisors responsible for non-capital equipment within their Unit. This list will be directed to their Division Chief and forwarded to the Department's Internal Audit Unit.

RECOMMENDATION 4:

Sheriff's management ensure managers/supervisors at each location track the name of individuals that are assigned non-capital equipment.

Sheriff's Response to Recommendation 4: Agree

The annual physical inventory of each Unit's non-capital equipment will require the Unit Commander to include on the inventory listing the name of the individual assigned the asset. The individual assigned the equipment item will be required to sign the Unit's inventory listing confirming that the asset is in his/her custody.

SHERIFF'S CAPITAL EQUIPMENT

RECOMMENDATION 5:

Sheriff's management investigate the missing equipment identified during the audit, complete the required disposal forms, and/or include these items on the Report of Equipment Loss form filed annually with the Auditor-Controller as required.

Sheriff's Response to Recommendation 5: Agree

Subsequent to the Auditor-Controller's review, the Department conducted a review of the identified two missing Capital equipment items and successfully located both pieces of equipment. One item, the fingerprinting machine was disposed of in 2008 and will be removed from the Auditor's Capital Asset Report. The other missing piece of equipment, a Remote Operated Vehicle, was located at the assigned Special Enforcement Bureau location and was properly tagged.

RECOMMENDATION 6:

Sheriff's management ensure that equipment lists are complete and contain accurate information.

Sheriff's Response to Recommendation 6: Agree

The Department's Fixed Asset Unit and Internal Audit Unit will work with the Divisions to ensure that the bi-annual inventory of fixed assets is complete and accurate.

WAREHOUSING/ SUPPLY ANNUAL PHYSICAL INVENTORY

RECOMMENDATION 7:

Sheriff's management ensure that staff conduct and document physical inventories annually and use two person count teams.

Sheriff's Response to Recommendation 7: Agree

The Department's Internal Audit Unit will coordinate with the applicable Division to ensure that annual physical inventories are conducted and two person count teams are used to perform the counts.

RECOMMENDATION 8:

Sheriff's management determine the reason(s) for inventory count discrepancies and implement corrective action.

Sheriff's Response to Recommendation 8: Agree

The Department's Internal Audit Unit will work with the various units to ensure that inventory count discrepancies are researched as to the cause and a plan for corrective action is implemented.

ACCURACY OF REPORTED INVENTORY

RECOMMENDATION 9:

Sheriff's management ensure the accuracy of the supply inventories reported annually to the Auditor-Controller's Accounting Division.

Sheriff's Response to Recommendation 9: Agree

The Department's Internal Audit Unit will work with the assigned warehouse managers and Fiscal Administration's General Accounting Unit to ensure all supply inventories are reported accurately to the Auditor-Controller's Accounting Division.

SEGREGATION OF DUTIES

RECOMMENDATION 10:

Sheriff's management separate the inventory and ordering duties, and ensure staff with physical custody of supplies/non-capital equipment do not have access to supplies/equipment records, or develop compensating controls where necessary.

Sheriff's Response to Recommendation 10: Agree

The Department will ensure that inventory ordering and physical access are separated to the greatest extent possible and will instruct the Department's Internal Audit Unit to work with the warehouse managers to segregate duties and/or develop compensating controls.

PERPETUAL INVENTORY RECORDS

RECOMMENDATION 11:

Sheriff's management develop and maintain perpetual records for their supply warehouses.

Sheriff's Response to Recommendation 11: Agree

The Department will implement perpetual inventory records for its food and supplies inventories at the required locations.

INVENTORY EFFICIENCY

RECOMMENDATION 12:

Sheriff's management ensure staff track and monitor supply inventories for slow moving, obsolete and over/understocked items.

Sheriff's Response to Recommendation 12: Agree

The Department will ensure that warehouse/supply managers monitor stock to identify slow moving, obsolete, and over/understocked items.

RECOMMENDATION 13:

Sheriff's management dispose of obsolete or no longer used supplies in accordance with County policy.

Sheriff's Response to Recommendation 13: Agree

The Department will review the list of obsolete items provided by the Auditor and will dispose of the no longer used supplies in accordance with County policy.

INVENTORY TRANSACTIONS

RECOMMENDATION 14:

Sheriff's management develop and implement procedures to justify, approve and document inventory adjustments.

Sheriff's Response to Recommendation 14: Agree

The Department will develop standardized procedures to be used at warehouse locations to justify, approve, and document inventory adjustments and request their Internal Audit Unit to review and assist in the training of the procedures.

RECOMMENDATION 15:

Sheriff's management ensure inventory requisitions are completed and approved before stock is issued.

Sheriff's Response to Recommendation 15: Agree

The Department will ensure that requisitions are completed and approved for all stock issuances and are retained for audit review.

SYSTEMS SECURITY ACCESS

RECOMMENDATION 16:

Sheriff's management develop procedures to periodically review user's access, and limit inventory access based on each user's responsibilities.

Sheriff's Response to Recommendation 16: Agree

The Department will develop procedures to include the eCAPS Security Coordinator to conduct quarterly reviews of user roles and access to inventory records. For non-eCAPS inventory system users, the Internal Audit Unit will assess user access to inventory records and restrict access where necessary.

PHYSICAL SECURITY

Recommendation 17:

Sheriff's management restrict warehouse and stockroom access to only appropriate management/staff.

Sheriff's Response to Recommendation 17: Agree

The Department will ensure that access is restricted to only authorized users of the inventory.

MANAGEMENT OVERSIGHT

Recommendation 18:

To maintain proper accountability and security over all inventory Sheriff's management should increase the level of management oversight over inventory. Management

should also provide training on County inventory policies and procedures where necessary, and monitor for compliance.

Sheriff's Response to Recommendation 18: Agree

The Department will ensure that training of County inventory policies and procedures is conducted as part of its implementation of the eCAPS inventory system and will instruct its Internal Audit Unit to monitor for compliance.

INTERNAL CONTROL CERTIFICATION PROGRAM

RECOMMENDATION 19:

Sheriff's management ensure that the ICCP questionnaires are accurately completed, all internal control weaknesses are identified, and an improvement plan is developed to address each weakness.

Sheriff's Response to Recommendation 19: Agree

The Department's Internal Audit Unit will ensure that the ICCP questionnaires are completed accurately, internal control weakness identified, and corrective action plans developed.