



GREGORY C. HARRELL
CLERK OF COURT AND COMPTROLLER – MARION COUNTY, FLORIDA

Operating Parts and Supplies Inventories – FY 2023

Report No. 2023-06

December 28, 2023

Issued To:

The Honorable Board of County Commissioners
Mounir Bouyounes, County Administrator

Sachiko Horikawa, CPA, CIA, CISA, CRMA
Internal Audit Director 

Engagement Team:

Lucy Alonso, Staff Auditor
Nayla Gonzalez, Staff Auditor
Sachiko Horikawa, Internal Audit Director

EXECUTIVE SUMMARY

Marion County (County) conducted its annual year-end physical inventory of significant operating parts and supplies, the result of which is summarized in the table below. We performed an audit of the inventory values presented by each department listed below to provide reasonable assurance that these values are free of material misstatements. These inventory values will be recorded as assets as of September 30, 2023, in the County's Annual Comprehensive Financial Report (ACFR). **Our opinion** is that the departmental inventories are fairly stated in all material respects.

OPERATING INVENTORIES ON HAND AS OF SEPTEMBER 30, 2023		
Department	Type of Inventory	Value
Facilities Management	Main Warehouse	\$140,828
	Jail Warehouse	225,028
		\$365,856
Fire Rescue Services	EMS Supplies	\$1,123,364
Fleet Management	Vehicle Repair Parts	\$129,189
	Vehicle Fuel	292,912
		\$422,101
Marion County Airport	Aviation Fuel	\$35,984
Office of County Engineer	Materials/Supplies-Roads	\$271,523
	Materials/Supplies-Traffic	601,979
		\$873,502
Utilities	Water Parts/Chemicals	\$837,179
	Wastewater/Chemicals	11,334
		\$848,513
TOTAL INVENTORY VALUE		\$3,669,320

OBJECTIVE

The objective was to verify that sufficient internal controls exist in each reporting unit to ensure accurate and timely reporting of the inventory values.

SCOPE AND OUR APPROACH

Our scope was to audit the operating supplies and materials inventories on hand of the following departments as of September 30, 2023.

- Facilities Management – operating supplies of Main Warehouse and Jail Warehouse
- Fire Rescue Services Department - EMS supplies
- Fleet Management Department - vehicle repair parts and vehicle fuel
- Marion County Airport - aviation fuel
- Office of the County Engineer - operating materials and supplies of Roads and Traffic Divisions
- Utilities Department - water and wastewater operating parts and chemicals

Management is responsible for the daily control, usage, and reporting of their departmental inventories. Each department took appropriate actions to plan and perform the physical counts, pricing, and provided valuation of the respective inventories.

We worked with departmental management during the planning stage and confirmed the counting procedures and valuation methods of each inventory process. During our observations of the physical counts, we performed test counts and other procedures to determine the accuracy of the counts. We also performed other audit tests subsequently to verify the accuracy of the reported inventory values.

Our on-site observations did not include the following areas:

- The fuel readings of the Fleet Department and Marion County Airport. We relied on the readings from the fuel systems and relevant transaction reports.
- Physical counts of the materials and supplies at the Roads Division of the Office of County Engineer. The Division performed physical counts at earlier dates and adjusted for subsequent transactions to arrive at the final inventory value.
- Physical count of the chemicals at the Utilities Department. We relied on the physical counts taken by the department.

RESULT

It is our opinion that the inventory process established by each department was effective and that the departmental inventories are fairly stated in all material respects. We may report to the department management in separate informational memoranda of certain matters we noted during our activities to assist in the planning, valuation, and conducting of next fiscal year's physical inventory.

ACKNOWLEDGMENT

We would like to express our appreciation to the management and staff of the departments for their cooperation and assistance.

REPORT DISTRIBUTION LIST

Name	Position Title
The Honorable Gregory C. Harrell	Clerk of Court and Comptroller
The Honorable Craig Curry	District 1 Commissioner
The Honorable Kathy Bryant	District 2 Commissioner
The Honorable Matt McClain	District 3 Commissioner
The Honorable Carl Zalak, III	District 4 Commissioner
The Honorable Michelle Stone	District 5 Commissioner
Mounir Bouyounes	County Administrator
Jennifer Cole	Finance Director
Angel Roussel	Assistant County Administrator
Tracy Straub	Assistant County Administrator
Amanda Tart	Assistant County Administrator
James Banta	Fire Chief
James Couillard	Parks and Recreation Director
Jared Goodspeed	Facilities Management Director
Jody Kirkman	Utilities Director
Mark Williams	Fleet Management Director