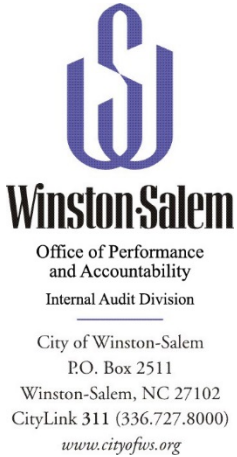


Memorandum



TO: Dewey Williard, Accounting Services Manager
FROM: Francesca Adams, Internal Auditor
DATE: July 12, 2021
SUBJECT: Physical Inventory Observation – Fleet Services
CC: Lee Garrity, Lisa Saunders, Kelly Latham, Donna Woodson, John Ashford, Lisa Winston, Ben Rowe, Scott Tesh


On July 1, 2021, a physical observation of the year-end inventory of supplies at WSTA was performed.

Scope: The purpose of the physical observation was to determine the accuracy of detailed records for supply inventories. The scope of work performed included a count of items on hand. Unit prices were agreed to invoices. Sampling techniques were used. The internal control environment was reviewed, but the effectiveness of individual internal accounting control procedures was not tested or evaluated. The existence of surplus units or the impairment of carrying values was not evaluated.

Findings: No material weaknesses in the internal control environment were noted. Physical counts of a sample of the quantities on hand and verification of unit dollar values produced no material variances. Total year-end supply inventory values were as follows:

	<u>2021</u>	<u>2020</u>
Warehouse	\$259,727.72	\$281,354.05
Gasoline	\$ 8,392.44	\$ 4,836.21
Diesel	\$ 12,728.93	\$ 8,216.33
Motor Oil	\$ 10,395.00	\$ 9,092.86

Conclusion: Inventories of supplies at WSTA are reasonably recorded in the detailed inventory records at June 30, 2021.



Francesca A. Adams