

Clerk of the Circuit Court and Comptroller
Regular Public Meeting
April 21, 2015

2. Reports received for filing:

- a. City of Largo Community Redevelopment Agency Annual Report for Fiscal Year 2013-2014.
- b. City of Safety Harbor Community Redevelopment Agency Annual Report for Fiscal Year 2013-2014.
- c. Division of Inspector General, Clerk of the Circuit Court and Comptroller, Report No. 2015-06 dated March 26, 2015 – Audit of BTS Hewlett Packard Contract.



DIVISION OF INSPECTOR GENERAL

KEN BURKE, CPA

**CLERK OF THE CIRCUIT COURT AND COMPTROLLER
PINELLAS COUNTY, FLORIDA**

AUDIT OF BTS HEWLETT PACKARD CONTRACT



**An Accredited Office of
Inspectors General**

**Hector Collazo Jr.
Inspector General/Chief Audit Executive**

**Audit Team
Ronald Peters - CIA, CISA, CIGA, CBA, CCL, CRMA, Inspector General Manager**

**MARCH 26, 2015
REPORT NO. 2015-06**



Ken Burke, CPA

CLERK OF THE CIRCUIT COURT AND COMPTROLLER
PINELLAS COUNTY, FLORIDA

Clerk of the County Court
Recorder of Deeds
Clerk and Accountant of the Board of County Commissioners
Custodian of County Funds
County Auditor

Division of Inspector General

510 Bay Avenue
Clearwater, FL 33756
Telephone: (727) 464-8371
Fax: (727) 464-8386
Fraud Hotline: (727) 45FRAUD (453-7283)
Clerk's website: www.mypinellasclerk.org

March 26, 2015

The Honorable Chairman and Members of the Board of County Commissioners

We have conducted an audit of the BTS Hewlett Packard (HP) Contract. Our audit objectives were to:

- Determine compliance with the HP contract.
- Evaluate the internal controls for processing equipment requests.
- Determine the adequacy of the warranty process for the contract.

We conclude that the County and Hewlett Packard are in compliance with the contract for purchasing equipment. The internal controls and the separation of duties for the ordering process are automated and effective. The warranty process for the purchased equipment is functioning properly.

There are no Opportunities for Improvement presented in this report.

We appreciate the cooperation shown by the staff of the BTS Hewlett Packard Contract during the course of this review.

Respectfully Submitted,

Hector Collazo Jr.
Inspector General/Chief Audit Executive

Approved:

Ken Burke, CPA*
Clerk of the Circuit Court and Comptroller
Ex Officio County Auditor
*Regulated by the State of Florida



TABLE OF CONTENTS

	Page
Introduction	4
No Opportunities for Improvement	6

INTRODUCTION

Synopsis

The County and Hewlett Packet (HP) are in compliance with the contract. The internal controls for processing equipment orders are adequate and effective. The documentation for equipment Purchase Orders and Invoices supports the transaction.

Scope and Methodology

We conducted an audit of the County and the contractor's compliance with the Hewlett Packard (HP) contract. Our audit covered an evaluation of the internal controls for the processing of equipment requests, the contract warranty process, and the Board of County Commissioners' (BCC) and Clerk of the Circuit Court and Comptroller's (Clerk) compliance with purchasing procedures.

The objectives of our audit were to:

- Determine compliance with the HP contract.
- Evaluate the internal controls for processing equipment requests.
- Determine the adequacy of the warranty process for the contract.

In order to meet the objectives of the audit we:

- Interviewed Business Technology Services (BTS), BCC Purchasing, and Clerk's Purchasing management teams to understand the processes and procedures, and internal controls for the equipment ordering process and warranty function.
- Reviewed and tested, on a sample basis, equipment ordered during the audit period for proper supporting documentation.
- Evaluated the procedures and internal controls for the related processes.

BTS assists other elected officers' equipment ordering with the HP contract. The scope of this audit did not include the review of those processes.

Our audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and the *Principles and Standards for Offices of Inspector General*, and accordingly, included such tests of records and other auditing procedures, as we considered necessary in the circumstances. The audit period was October 1, 2014 to January 31, 2015. However, transactions and processes reviewed were not limited by the audit period.

Overall Conclusion

The County and Hewlett Packard are in compliance with the contract for purchasing equipment. The internal controls and the separation of duties for the ordering process are automated and effective. The warranty process for the purchased equipment is functioning properly.

Background

The contract for Computer Equipment Purchase or Lease with Hewlett Packard was competitively bid and approved in February 2009 by the Board of County Commissioners (BCC). The contract provided the County with flexibility and convenient one-stop shopping for the procurement of computer equipment and accessories. The contract is administered by Business Technology Services. The term of the contract was for 36 months with one renewal. The State and Local Government Master Lease Purchase Agreement was made part of the County contract.

The 36 month extension was approved by the BCC in January 2012 for the period of February 10, 2012 through February 8, 2015. The pricing in the renewal agreement was based upon the Florida State Term Contract for PCs, Laptops and Monitors under which the County is an authorized purchaser.

With the new contract in 2009, the County moved from an equipment leasing policy to a purchasing process. All lease equipment was retired by 2012. The current ordering for equipment utilizes the OPUS Work Flow Application with BTS obtaining the Quote from the HP website. After the approval process is completed and the Purchase Order is created, the application has the option to place the order. Payment of the invoices is through the standard Finance Accounts Payable process. Retirement of the purchased equipment is under the County surplus function.

The County is using the current State and Local Government Master Lease Purchase Agreement: Contract covering February 11, 2015 to March 31, 2015 with HP. One of the options being considered is using the new State Contract starting April 1, 2015.

OPPORTUNITIES FOR IMPROVEMENT

Our audit did not identify any audit findings; therefore, there are no Opportunities for Improvement presented in this report.



DIVISION OF INSPECTOR GENERAL

KEN BURKE, CPA
CLERK OF THE CIRCUIT COURT
& COMPTROLLER
PINELLAS COUNTY, FLORIDA

SERVICES PROVIDED

AUDIT SERVICES
INVESTIGATIONS
GUARDIANSHIP SERVICES
CONSULTING
TRAINING
COUNTY FRAUD HOTLINE
GUARDIANSHIP FRAUD HOTLINE
PCSO PREA HOTLINE



An Accredited Office of
Inspectors General

Call: (727) 464-8371


Fax: (727) 464-8386


Fraud: (727) 45FRAUD

(727) 453-7283



Internet: www.mypinellasclerk.org

 www.twitter.com/pinellasig

 www.facebook.com/igpinellas



Write:

Division of Inspector General
510 Bay Avenue
Clearwater, FL 33756