



BROWARD OFFICE OF THE INSPECTOR GENERAL

FOR IMMEDIATE RELEASE

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Gross Mismanagement in the Control of Information Technology Equipment in the Town of Davie

Broward Inspector General John W. Scott announced today that the Broward Office of the Inspector General (OIG) has issued a report finding that the Town of Davie was not properly accounting for I.T. equipment that its staff purchased with taxpayer dollars, and the OIG was unable to determine whether the town had custody and control of those assets. During our subsequent investigation, we established that the town was unable to account for or easily locate \$275,898.44 worth of its own equipment. The OIG substantiated that the town grossly mismanaged its control of I.T. equipment by failing to keep an accurate and reliable listing of town I.T. equipment and failing to inventory the equipment annually, as required by its policy. The report can be viewed at www.browardig.org

The town's lack of control over these assets exposed it to unnecessary risk and generally made it difficult for the town to accurately prepare budgets and track asset life cycles. It also resulted in the town's failure to capitalize some items that were required to be capitalized according to its own policy.

However, as detailed in the report, once town administration became aware of the problems the OIG identified, it acted swiftly and effectively to address them. The town's fixed asset specialist and acting I.T. director resigned. The town hired a new I.T. director and its first I.T. security manager, who developed a process, along with I.T. policies and procedures, to adequately account for future I.T. purchases. In addition, the town completed a full physical inventory of its I.T. assets that will serve as a baseline for future inventories. During this inventory, the town located most of the items that it originally was unable to account for, and now only \$12,512.28 worth of equipment is missing.

Although the report contains additional recommendations for the town, the OIG commends the administration's efforts to improve its controls, and we encourage its leaders to continue down the path they have set out for themselves.

John W. Scott, *Inspector General*

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