



JUAN FERNANDEZ-BARQUIN
CLERK OF THE COURT AND COMPTROLLER
OF MIAMI-DADE COUNTY

Audit Management Division



Final Audit Report FY2025 Annual Capital Equipment Inventory

September 8, 2025



Audit Management Division

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September 8, 2025

The Honorable Juan Fernandez-Barquin
Clerk of the Court and Comptroller of Miami-Dade County

We performed an audit of the Fiscal Year (FY) 2025 Annual Capital Equipment Inventory, in accordance with the FY2025 *Clerk of the Court and Comptroller of Miami-Dade County (COCC) – Audit Management Division Annual Audit Plan* and Administrative Order No. AO-2014-01, which governs internal audit functions.

Findings and corrective actions are presented in this Final Audit Report.

All corrective measures were implemented by August 29, 2025, for the FY2025 Annual Capital Equipment Inventory and certification process, in compliance with Florida Statutes, Florida Administrative Code 69I-73, and Administrative Order (AO) 8-2.

We appreciate the courtesies and assistance extended to auditors throughout the audit.

Respectfully submitted,

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EXECUTIVE SUMMARY

Audit Management performed a review of 161 Clerk of the Court and Comptroller of Miami-Dade County (COCC) assets, totaling \$2,134,193 million, as recorded in the Integrated Financial Resources Management System (INFORMS) as of August 29, 2025. The purpose of the audit was to verify the existence, accuracy, and classification of COCC capital equipment, and to evaluate the certification process for compliance with Florida Statutes, Florida Administrative Code 69I-73, and Administrative Order (AO) 8-2.

Under AO 8-2, Section 5, each Department Director is responsible for certifying the results of the annual physical inventory of capital equipment assigned to them. Beginning in FY2025, COCC Department Directors completed the certification process via Form 784, “*INFORMS Capital Equipment Inventory Worksheet*.” The consolidated final results of the FY2025 Annual Capital Equipment Inventory were reported by the Clerk Finance Department (CFD), subsequently certified on August 29, 2025, and electronically signed in INFORMS by the COCC Chief Administrative Officer on September 2, 2025.

The certified results included **142** items of capital equipment, as follows:

- **104** in-service (\$1,188,708)
- **0** inter-departmental transfer
- **15** un-located (\$126,729)
- **23** disposed sent to the County Store (181,361)

Additional audit testing identified **19** items of capital equipment, as follows:

- **4** intangible assets misclassified as tangible equipment (\$552,525)
- **9** items of capital equipment under the Comptroller Finance Operations Department, certified on July 3, 2025. (\$59,870)
- **4** previously disposed items (\$25,000)
- **2** non-capital assets erroneously reported as capital equipment

Other findings included improper tagging, misclassification, and uncoordinated asset entries, which were addressed and resolved by the responsible COCC Department Directors and the CFD by August 29, 2025. Auditor recommendations focus on correcting records, improving disposal procedures, and reinforcing accountability through department attestations.

The Clerk has consistently met annual capital equipment inventory deadlines in prior years, demonstrating a strong commitment to compliance.



PURPOSE AND SCOPE

We performed an audit of COCC FY2025 Annual Capital Equipment Inventory as of August 29, 2025. The audit focused on verifying that all Capital Equipment listed in INFORMS and reported by all COCC offices were accurately reflected, physically existent, fully accounted for, properly classified and certified in compliance with Florida Statutes, Florida Administrative Code 69I-73, and Administrative Order (AO) 8 - 2.

The audit's primary objectives included:

1. **Inventory Accuracy:** Confirm that INFORMS records accurately reflect the physical existence and condition of capital equipment at COCC locations through reconciliation and physical verification.
2. **Regulatory Compliance:** Confirm adherence to Chapter 274, Florida Administrative Code 69I-73, and AO 8-2, including procedures for missing or unaccounted capital equipment.
3. **Proper Disposal and Transfer Documentation:** Review whether disposals of capital equipment followed required procedures, including the use of the People and Internal Operations Department (PIOD)—formerly the Internal Services Department (ISD)—Property Action Forms (PAFs), and whether they were properly recorded in INFORMS.
4. **Final Certification Validation:** Ensure the Physical Inventory Certification was properly completed and signed, confirming that all capital equipment was accounted for and discrepancies appropriately addressed.

To achieve these objectives, the following audit procedures were performed:

1. Conducted physical observations of COCC capital equipment to verify existence and condition.
2. Reviewed documentation regarding capital equipment acquisitions, disposals, and transfers to ensure proper authorization and record-keeping.
3. Performed reconciliation between physical observations and INFORMS records to ensure the accuracy and completeness of capital equipment records.
4. Verified that INFORMS records reflect accurate and up-to-date inventory data, including capital equipment details such as location, status, and classification.
5. Assessed compliance with applicable policies and procedures, ensuring adherence to regulatory requirements, and evaluating the accuracy of financial and operational processes.
6. Prepared a final inventory listing confirming that all capital equipment were accounted for and discrepancies were appropriately addressed.



BACKGROUND

Audit Management conducted an interim review of 151 assets recorded in INFORMS as of April 30, 2025, and certain FY2024 data. Findings and recommendations were reported to the CFD. Subsequently, Audit Management performed the FY2025 Annual Capital Equipment Inventory audit, which included 161 assets, and incorporated follow-up on interim findings, all of which were addressed and resolved by the responsible COCC Department Directors and the CFD, fully accounted for, and properly classified. This review was conducted in accordance with Chapter 69I-73 of the Florida Administrative Code, Chapter 274 of the Florida Statutes, and Miami-Dade County Administrative Order 8-2.

As a result of Amendment 10, the Comptroller Finance Operations Department (CFOD) is now part of the Constitutional Office of the COCC and was, therefore, included within the scope of this audit. The CFOD maintains its own capital equipment inventory listing in INFORMS (FN), which was certified on July 3, 2025.

It is important to note that the responsibility for conducting, documenting, and reconciling the annual physical inventory of capital equipment lies with each COCC Department Director, as required by applicable state and local regulations. Consequently, Audit Management is not responsible for performing the annual capital equipment inventory.

Regulatory Environment

1. Florida Administrative Code Chapter 69I-73.006; Inventory of Property:

- **Paragraph 1-3; Annual Physical Inventory and Required Documentation:** Governmental units must perform a complete physical inventory of all property annually and whenever there is a change in custodian or delegate. The inventory must include basic details such as date, ID number, location, condition, and the verifier's signature. Electronic scanning is allowed if the required data can be extracted.
- **Paragraph 4-5; Unrecorded Property:** Any qualifying item found, but not previously recorded, must be added to property records or legally disposed of if ownership cannot be confirmed. Custodian delegates may not inventory assets they are responsible for, to maintain objectivity.
- **Paragraph 6-7; Reconciliation and Investigation:** Inventory results must be reconciled with official records. Discrepancies must be corrected, and missing items investigated. If an item is lost or stolen, a police report must be filed. Unaccounted-for property cannot be removed from records without the State CFO's approval.



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2. Florida Statutes Chapter 274:

- **274.01 Definitions:** Establishes the requirements for managing tangible property owned by governmental units, including counties, taxing districts, and sheriffs. It defines key terms such as "governmental unit," "custodian," and "property," and mandates that all property be recorded and inventoried.
- **274.02 Record and Inventory of Certain Property:** Each governmental unit must conduct an annual physical inventory and maintain accurate records.
- **274.03 Property Supervision and Control:** A governmental unit shall be primarily responsible for the supervision and control of its property but may delegate to a custodian. Custodians are responsible for the safekeeping and proper use of assigned property.
- **274.04-06 Property Acquisition and Disposal:** The law permits property acquisition through purchase, trade-in, or sale. Disposals must be properly authorized and recorded.
- **274.08 Penalty:** Any person who violates any provision of this act or any rule prescribed pursuant to its authority shall be guilty of a misdemeanor of the second degree, punishable as provided in § 775.082 or § 775.083.

3. Miami-Dade County Administrative Order 8-2, "Use, Care, Control and Disposal of County Property":

i. Capital Equipment Definition (Section 3 and 69I-73.002):

- Tangible, non-consumable property with a value \geq \$5,000 and a useful life of one year or more.
- The dollar threshold for capital equipment is determined by FACC 69I-73.002, which currently sets the value at \$5,000 or more. (Effective 10/1/2020)
- Items must not be permanently fixed to structures and must be tagged with a County-issued asset number.

ii. Roles and Responsibilities (Section 5)

- **Property Custodian (5.1):** Department Directors are accountable for all department capital equipment items assigned to them. They must:
 - Appoint a Custodian Delegate(s) and an Inventory Officer.
 - Certify the annual capital equipment inventories.
 - Investigate losses and initiate changes in custody.



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- **Inventory Officer (5.2):** Maintains internal inventory records, coordinates annual and special inventories, reports acquisitions not on record, and leads investigations of lost/damaged/stolen items.
- **Fixed Assets Manager (5.3):** Manages countywide property records, supervises acquisitions, tagging, transfers, disposals, vehicle registrations, spot audits, and surplus programs.

iii. **Annual Physical Inventory** (Section 6.5)

- All departments must complete an annual inventory of capital equipment using the Capital Inventory Record.
- Property Custodians must certify results within 60 days.
- Inventory is also required when there is a change in Custodian or Delegate.

iv. **Required Asset Tagging** (Section 6.2)

- All capital equipment must be physically tagged with a County-issued asset number.
- Vehicles must display tags; undercover vehicles are an exception.

v. **Equipment Transfers** (Section 6.4)

- Intra-departmental transfers are permitted and must be tracked by the Inventory Officer.

vi. **Surplus, Excess, and Re-Issuance** (Sections 6.8, 8.1–8.3)

- The Fixed Assets Manager is authorized to delete from the active Capital Equipment Inventory Record assets which have been reported as "un-located" after three (3) successive annual physical inventories (6.8).

vii. **Loss, Theft, or Damage Procedures** (Sections 7.4–7.5)

- Stolen, lost, damaged or destroyed capital equipment must be immediately reported to the appropriate Section Head, Department Director and Property Custodian.
- Investigations must be initiated within five working days and completed promptly.
- The Property Custodian determines if any appropriate disciplinary action is warranted and submits deletion requests from the department's Capital Equipment Inventory Record.



SUMMARY RESULTS

As of August 29, 2025, Audit Management reviewed 161 assets totaling \$2,134,193. Of these, 104 capital equipment items, valued at \$1,188,708, were confirmed as “In Service.” The audit also noted: (1) four intangible assets valued at \$552,525 were misclassified as tangible; (2) 15 capital equipment items totaling \$126,729 were listed as “In Service” but were not reported by any COCC office, not located during physical observations, or lacked fully executed PFAs, making it difficult to confirm whether the disposal process was properly completed; and (3) 23 capital equipment items valued at \$181,361 had been sent to the County Store for disposal. The CFD subsequently clarified the status of these items, and all updates were completed and appropriately reported in INFORMS.

The findings summarized in Table I are further detailed throughout this report.

Table I
Summary of Findings

FINDING	REPORT PAGE NUMBER
1. Intangible Capital Assets Improperly Recorded in INFORMS as Tangible Capital Equipment - Axia Software for Value Adjustment Board (VAB)	11
2. Capital Equipment Recorded as “In Service” in INFORMS Despite initiation of Disposal Process	17
3. Capital Equipment Recorded as “In Service” in INFORMS but Not Reported by Any COCC Office	18
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In accordance with Administrative Order AO-2014-01, each department with findings identified in this Final Audit Report submitted a written response outlining corrective actions to address the audit recommendations, along with estimated completion dates. Audit Management reviewed these responses to ensure clarity and to confirm that all identified issues were appropriately addressed. A summary of the departmental responses has been incorporated into this Final Audit Report, indicating that all corrective measures were implemented as of August 29, 2025.



FINDINGS AND CORRECTIVE ACTIONS

1. Finding #1: Intangible Capital Assets Improperly Recorded in INFORMS as Tangible Capital Equipment - Axia Software for Value Adjustment Board (VAB)

A reconciliation was performed between the capital equipment recorded in INFORMS and the Capital Equipment Inventory Worksheets submitted by COCC offices as of April 30, 2025 (interim review). A follow-up review was subsequently conducted in August 2025.

As a result, we noted that four assets totaling \$552,525 (Table II) were recorded in INFORMS as capital equipment under the description “Axia Project Fiber Web.” These assets have no tag number and were not reported by any COCC office. Upon further investigation, we determined that the entries were made by the Comptroller Finance Operations Department (CFOD).

Table II
Axia Capital Assets Recorded in INFORMS

ASSET ID	ASSET DESCRIPTION	ASSET STATUS	TOTAL COST	ACQUISITION DATE
AXIA-2020-01	AXIA PROJ FIBER WEB	In Service	\$ 55,253	2/21/2020
AXIA-2020-02	AXIA PROJ FIBER WEB	In Service	\$ 59,303	6/8/2020
AXIA-2023	AXIA PROJ FIBER WEB	In Service	\$ 299,838	8/9/2023
AXIASFTWHDWR	AXIA PROJ FIBER WEB NET	In Service	\$ 138,131	9/30/2019
			\$ 552,525	

Source: INFORMS Inventory Listing as of August 2025

CFOD was contacted and asked to provide the support documentation used to record these items in INFORMS. In response, they provided six invoices, a copy of the contract agreement, and three executed amendments between the COCC and Pioneer Technology Group, LLC, originally effective May 7, 2019, with an initial term ending May 7, 2022.

The purpose of this contract is the implementation and ongoing support of the Axia System, a cloud-based software solution designed to manage electronic documents and case tracking cases for VAB operations. The project replaces the County’s legacy system with a fully integrated platform intended to improve administrative efficiency.

- **Amendment No. 1:** Effective November 17, 2021, expanded the scope of services and extended the contract through May 7, 2025.
- **Amendment No. 2:** Effective January 1, 2023, updated the contractor’s legal name from Pioneer Technology Group, LLC, to Catalis Courts and Land Records, LLC.



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- **Amendment No. 3:** Effective May 1, 2025, further extended the contract through May 7, 2026, and included a modification related to OPSWAT ¹.

A reconciliation of the six Axia invoices was then conducted against the total amount recorded in INFORMS as shown in Table III:

Table III
Reconciliation between INFORMS Capital Assets and Axia Software Invoices

INFORMS Tangible Capital Assets			Axia Software Invoices			
Asset ID	In service Date	Asset Amount	Milestone	Date	Invoice #	Invoice Amount
AXIASFTWHDWR	9/30/2019	\$ 138,131	1	5/31/2019	30454	38,677
			2 & 3	9/27/2019	31126	99,455
						\$ 138,131
AXIA-2020-01	2/21/2020	\$ 55,253	4	9/30/2019	31190	\$ 55,253
AXIA-2020-02	6/8/2020	\$ 59,303	5	12/29/2019	31578	\$ 59,303
AXIA-2023	8/9/2023	\$ 299,838	6	5/22/2023	13301	55,253
			7	9/30/2020	202993	62,253
			8	10/17/2022	4312830	55,253
			9	9/30/2020	202994	55,253
			10	6/30/2023	4329242	71,828
						\$ 299,838
Total Axia Capital Assets		\$552,525				\$ 552,525

Source: INFORMS Inventory Listing as of August 2025 and Invoices of Axia Software

An analysis of the contract agreement and the six supporting invoices revealed that the four items totaling \$552,525 were incorrectly classified in INFORMS as tangible capital equipment with a useful life of seven years. In fact, the nature of these costs aligns with intangible capital assets, as they relate to the development and implementation of the Axia software system used by the VAB.

As a result, an evaluation of the appropriate accounting treatment was necessary. This included a reconciliation of the total dollar amounts recorded in INFORMS to the supporting invoices provided by the CFOD, as well as a review of the contract agreement per Governmental Accounting Standards Board (GASB) Statement No. 51, Intangibles, and the Miami-Dade County Capital Asset Policy.

Based on this review, Table IV was prepared to summarize the nature of each project stage, link each stage to its corresponding deliverables and invoices, and present an *estimated* allocation of costs to be capitalized or expensed, in accordance with applicable accounting standards and County policy.

¹ OPSWAT, cybersecurity platform used to protect critical systems through secure file transfer and malware prevention.
(Source: OPSWAT, www.opswat.com)



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Table IV Capitalization Assessment by Project Stage: Axia Contract, Invoices vs. GASB 51 and County Policy				
	Stage Description per Contract Agreement	Deliverable by Invoice	GASB 51 & Miami-Dade County Policy	Capitalization
Stage 1	<u>Preliminary Phase</u> Establishes project foundation through planning, management, and stakeholder coordination. Includes kickoff meetings, project scope confirmation, and high-level assessments.	<u>Milestone 1:</u> (Invoice Dated 5/31/2019) <ul style="list-style-type: none"> - Executed contract. - Initial project kickoff call scheduled. 	<u>GASB 51, Paragraph 11:</u> Costs incurred during the preliminary project stage must be expensed because they relate to decision-making, planning, and feasibility—not the actual development of the software. This stage does not produce or enhance a capital asset.	<u>Non-capitalizable</u>
Stage 2	<u>Requirements and Design Phase</u> Focuses on defining functional and technical requirements, interface planning, and workflow documentation. Delivers design specifications and prepares for system configuration and development.	<u>Milestone 2:</u> (Invoice Dated 9/27/2019) <ul style="list-style-type: none"> - Accept delivery and validate legacy system data. - Conduct project kickoff call. - Schedule on-site kickoff meeting. <u>Milestone 3:</u> (Invoice Dated 9/27/2019) <ul style="list-style-type: none"> - Review hardware network requirements. - Assign stakeholder tasks. - Conduct fit/gap and discovery workshops. - Initial forms/reports discovery. - First pass of data conversion. 	<u>GASB 51, Paragraph 11:</u> Remains part of the preliminary stage . These are pre-application development activities used to determine the system design and ensure it meets business needs. No tangible asset is being created.	<u>Non-capitalizable</u>
Stage 3	<u>Development and Configuration Phase</u> Covers software installation, system setup, and site-specific configuration based on agreed specifications. Prepares a working version of the system for internal testing and user interaction.	<u>Milestone 4:</u> (Invoice Dated 9/30/2019) <ul style="list-style-type: none"> - Updated project strategy, plan, and resource schedule. - Identified system gaps. - Interface design and interface plan. <u>Milestone 5:</u> (Invoice Dated 12/29/2019) <ul style="list-style-type: none"> - Second pass of data conversion. - Initial delivery of exports/forms for review. <u>Milestone 6:</u> (Invoice Dated 5/22/2023) <ul style="list-style-type: none"> - Test system available to select users. - Technical environment setup. - Initial data validation. - Installation/setup documentation. - Installed/configured software. - Site-specific programming. <u>Milestone 7:</u> (Invoice Dated 9/30/2020) <ul style="list-style-type: none"> - Review functionality and data. 	<u>GASB 51, Paragraph 12</u> This is the application development stage , where the software is being created or modified to meet functional needs. Costs directly attributable to this development stage, such as configuration and testing of the system, can be capitalized.	<u>Capitalizable</u>



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		<ul style="list-style-type: none"> - Data conversion plan finalized. - Converted data in production database and image conversion. - Documented configuration change requests. - Application system testing. - Parallel testing. 		
Stage 4	Testing and Training Phase Involves testing of configured software, validation of converted data, and system refinements. Includes user acceptance testing, parallel runs, and sign-off of production readiness.	Milestone 8: (Invoice Dated 10/17/2022) <ul style="list-style-type: none"> - Project team training. - Training plan & curriculum. - Technical/operational personnel training. - Delivery of training materials & user guide. 	<u>GASB 51, Paragraph 14:</u> Testing during development is necessary to make the asset ready for use. However, training is considered an operating cost and should be expensed, as it does not directly contribute to placing the asset into service.	<u>Non-capitalizable</u>
Stage 5	Deployment and Post-Implementation Support Delivers end-user and technical staff training, support documentation, and transition to go-live. Ensures that users are ready and the system is stable before final deployment.	Milestone 9: (Invoice Dated 9/30/2020) <ul style="list-style-type: none"> - System go-live completed. Milestone 10: (Invoice Dated 6/30/2023) <ul style="list-style-type: none"> - Post-implementation support. - Software acceptance documentation. 	<u>GASB 51, Paragraph 13</u> After the system is placed into service, further costs such as maintenance, user support, and enhancements are considered operating expenses and must be expensed. These do not extend the system's functionality or useful life.	<u>Non-capitalizable</u>

Source: Axia Contract Agreement, Invoices of Axia Software, GASB 51 Intangibles, and the Miami-Dade County Capital Asset Policy.

Based on the review, the auditor concluded that:

1. The four items recorded as tangible capital equipment in INFORMS, totaling \$552,525, should be reclassified as Intangible Capital Assets. The underlying invoices and contract agreement supports the classification as internally generated software, not physical equipment, and therefore, do not meet the definition of tangible capital equipment under GASB standards.
2. Capital equipment is overstated. Based on the invoices and contract provided by the CFOD, an independent analysis was conducted and *estimated* that, of the \$552,525 recorded as tangible capital equipment, \$232,061 should be capitalized as an Intangible Capital Asset, and \$320,465 should be expensed, as detailed in Table V.



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Table V
Capitalization Assessment of Axia Software Invoices – Summary of Amounts to Be Capitalized or Expensed

Milestone	Date	Invoice #	Detail	Invoice Amount	Stage # Contract pg 47-50	Capitalized or Expensed	Total Capitalized Amount	Total Expensed Amount
1	5/31/2019	30454	Executed Contract, initial project Kick off call scheduled	38,677	1	Expensed	-	38,677
2 & 3	9/27/2019	31126	Milestone 2 - Project Initiation / Management	99,455	2		-	99,455
4	9/30/2019	31190	Milestone 3 - Onsite walkthrough and workshop					
			Project Management	55,253	3	Capitalized	55,253	-
5	12/29/2019	31578	Project Management & Axia Data conversion	59,303	3	Capitalized	59,303	-
6	5/22/2023	13301	Initial Installation of Axia Software	55,253	3	Capitalized	55,253	-
7	9/30/2020	202993	Initial Hands on workshops to review functionality & data	62,253	3	Capitalized	62,253	-
8	10/17/2022	4312830	Training	55,253	4	Expensed	-	55,253
9	9/30/2020	202994	Go live	55,253	5	Expensed	-	55,253
10	6/30/2023	4329242	Post Implementation Support & Software Acceptance	71,828	5	Expensed	-	71,828
				\$ 552,525			\$ 232,061	\$ 320,465

Source: Axia Contract Agreement, Invoices of Axia Software, GASB 51 Intangibles, and the Miami-Dade County Capital Asset Policy.

It is important to note, that there may be other information not made available to Audit Management during this review that could impact the final allocation. While our analysis considered all known variables, the CFD remains responsible for verifying that the amounts ultimately recorded in the financial statements are reasonable, accurate, and properly supported.

- Although the original classification was an accounting error resulting from recording the items without evaluating their true nature - GASB Statement No. 62 (paragraphs 62–63) and GASB Implementation Guide 2015-1 (Q7.4), allow for such errors to be corrected prospectively in the current period when appropriate, without requiring a restatement of prior financial statements.
- The capitalized portion should be amortized over a 7-year period, reflecting the expected useful life based on contractual support, expected upgrade cycles, and potential technological obsolescence. As provided in GASB Statement No. 51, paragraph 17, the useful life of an intangible asset should be based on the period over which it is expected to provide service. Accordingly, the amortization period is established as May 7, 2019, through May 7, 2026, in line with the extended contract term and ongoing system support.
- Although the CFOD recorded the Axia software in INFORMS, these assets are exclusively related to the operations of the COCC and should have been recorded and managed by the CFD. Importantly, this action was taken without notification to, or coordination with, the Clerk's office, and no formal delegation of this responsibility was made.

According to GASB Concepts Statement No. 1, paragraph 78, each governmental entity is accountable for reporting the financial effects of its own operations. Additionally, under Generally Accepted Government Auditing Standards (GAGAS) and established internal control principles, each entity is responsible for ensuring the accuracy, completeness, and proper classification of the financial transactions it reports.



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When another department records transactions without proper oversight or authorization, it increases the risk of misclassification, misstatement, and compromises accountability and audit traceability.

Recommendation(s):

1. Although Audit Management provided an analysis and an estimated allocation of costs to be capitalized and expensed for the Axia software, the financial statements remain the responsibility of management. Therefore, the CFD should perform its own assessment to determine the appropriate amounts to capitalize and expense, ensure those amounts are reasonably supported, and adjust the useful life of the Axia software, if necessary.
2. To ensure compliance with the FY2025 Capital Equipment Inventory deadline and the County's asset procedures, the CFD should, by June 23, 2025, reclassify the Axia software from tangible to intangible asset and adjust journal entries to record the total intangible Capital Asset in INFORMS.
3. All capital equipment recorded under the COCC's accounts should be reviewed to confirm that adequate supporting documentation is maintained, that all estimates are properly calculated and supported by the Generally Accepted Accounting Principles (GAAP) guidance issued by GASB, and that they are appropriately approved prior to being recorded in INFORMS.
4. The CFD should perform an annual comprehensive reconciliation of all capital equipment recorded under the COCC's accounts in INFORMS to ensure that all entries are properly supported, accurately classified, recorded by the appropriate reporting entity, and appropriately approved. Any exceptions identified during this review should be discussed and resolved with the responsible parties.
5. The CFOD and the CFD must determine which entity will be responsible for recording and maintaining the COCC's capital equipment to ensure clear accountability and avoid overlapping responsibilities.

Auditee Response and Action Plan:

- **June 23, 2025:** *The Asset Management module in INFORMS upon implementation granted Miami-Dade County and other Departments/Divisions access to make entries and classifications independent of the Clerk of the Court and Comptroller's office. In this instance, the entries were made by CFOD. The CFD agrees that the CFOD should be consulted with to ensure the proper recording of the asset.*
- **Action Plan:** *CFD will review the authority cited in the audit report and any other applicable guidance. Once confirmed with all available sources, amounts will be recalculated and compared to the details provided in the audit report. CFD will agree on the amounts that should be Capitalized (as Intangible) and Expensed and will make the appropriate adjustments in INFORMS.*



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- **July 15, 2025 - Update:** *CFD and the CFOD are currently reviewing the manner in which these assets was recorded in INFORMS to ensure consistency with other similar assets. A final determination will be made and adjustments made as appropriate in INFORMS by August 29, 2025.*
- **August 21, 2025 - Updated:** *CFD and the CFO made a final determination on how to record the asset. The CFO recorded the asset as an Intangible Capital Asset in INFORMS at a cost of \$232,061.*
 - **Target Completion Date:** *Completed, no further action is needed.*

Finding #2: Capital Equipment Listed as “In Service” in INFORMS Despite initiation of Disposal Process

During the interim capital equipment inventory review as of April 30, 2025, nine assets (Table VI) were identified in INFORMS as “In Service,” despite having been sent to the County Store for disposal between August 2023 and April 2025, as documented by their corresponding PAFs. During this transition period, assets should be listed under “Suspended” status until final disposal is completed.

A follow-up review conducted during the annual capital equipment inventory in August 2025 confirmed that the statuses of these assets had been updated to “Suspended” in INFORMS and that the noted exceptions had been resolved.

Table VI
Disposed Capital Equipment Recorded as “In Service” as of April 2025, Updated to “Suspended” as of August 2025

COCC Office	MDC DC Tag #	Capital Equipment Description	TOTAL COST	Status per INFORMS As of August, 2025	Acquisition Date
Hialeah District Court Operations	807247	Fujitsu FI-5750C Scanner	\$ 5,572	Suspended	5/2/2008
Parking Operations Department	824917	Laptop (LPR @ MB)	\$ 6,000	Suspended	9/21/2012
Parking Operations Department	824921	Laptop (LPR @ MPA)	\$ 6,000	Suspended	9/21/2012
Parking Operations Department	824924	Trunk Unit (LPR @ MPA)	\$ 9,495	Suspended	9/21/2012
Parking Operations Department	824920	Trunk Unit (LPR @ MB)	\$ 9,495	Suspended	9/21/2012
Parking Operations Department	824925	Laptop (LPR @ CG)	\$ 6,000	Suspended	9/21/2012
Parking Operations Department	824928	Trunk Unit (LPR @ CG)	\$ 9,495	Suspended	9/21/2012
South Dade District Court Operations	807249	Canon DR-C225 Scanner	\$ 5,572	Suspended	5/2/2008
Central Depository Department	807261	Canon DR-9080C Scanner	\$ 6,280	Suspended	5/9/2008
			\$ 63,909		

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations

Recommendation(s):

Update INFORMS Asset Status: By June 23, 2025, the CFD should update the asset status in INFORMS from “In Service” to “Suspended” to ensure compliance with the FY2025 Capital Equipment Inventory deadline and the County’s asset procedures.

Auditee Response and Action Plan:

- **June 23, 2025:** *As recommended, the status of the assets listed on (Table VI) had been changed from “In Service” to “Suspended” in INFORMS.*



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- **Action Plan:** *The CFD will communicate with the COCC Departments to request that it be copied any time that there is a submission of a PAF so that the changes can be done in INFORMS accordingly.*
 - **Target Completion Date:** *Completed, no further action is needed.*

Finding #3: Capital Equipment Recorded as “In Service” in INFORMS but Not Reported by Any COCC Office.

During the interim Capital Equipment Inventory Review as of April 30, 2025, a reconciliation was performed between capital equipment recorded in INFORMS and the Capital Equipment Inventory Worksheets submitted by COCC offices. As a result, the following was noted:

1. The capital equipment listed in Table VII were recorded as “In Service” in INFORMS but were not reported by any COCC office in the Capital Equipment Inventory Worksheets.
2. Two capital equipment items lack tag numbers and serial numbers and are identified solely by an Asset ID in INFORMS.
3. Three capital equipment items with tag numbers but could not be matched to any reporting office.
4. Capital equipment item No. 882480 was recorded in INFORMS by a user who is currently employed by the Miami-Dade County Parks and Recreation Department.
5. Although the INFORMS inventory listing includes an ID Location field, it does not indicate the corresponding COCC Department or Division responsible for the asset. This omission impairs the ability to determine the asset’s actual location or assigned custodian, weakening accountability and reducing the effectiveness of inventory verification.

A follow-up review was performed during the physical observations conducted as part of the FY2025 Capital Equipment Inventory in July 2025, and none of the assets listed in Table VII were located.

Table VII
Capital Equipment Recorded as “In Service” in INFORMS but Not Reported, or located during the FY2025 Annual Capital Inventory

Capital Inventory							
Asset ID	Tag #	Capital Equipment Description	Total Cost	Status per INFORMS As of August, 2025	Acquisition Date	Status per AM Review	Action Required
1CL-00049548	638823	Alarm Unit Secure Tech System	\$ 8,812	In Service	1/29/2002	* Un-located Year 1	Refer to finding #9 for recommendations
1CL-00000435	830004	Computer Equipment	\$ 6,214	In Service	6/5/2013	* Un-located Year 1	
000000000010	882480	Canon Dr Scanner	\$ 5,140	In Service	10/17/2022	* Un-located Year 1	
000000000020	Not Tagged	Internal Stream Reflector	\$ 6,690	In Service	3/16/2023	* Un-located Year 1	
000000000019	Not Tagged	Caption Prime Streaming Appliance	\$ 33,980	In Service	3/16/2023	* Un-located Year 1	
			\$ 60,836				

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations.



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Recommendation(s):

1. **Investigate and Confirm Capital Equipment Status and Location:** By June 23, 2025, the CFD, in coordination with the responsible COCC Department or Division, should investigate the assets listed in Table VII to determine their current location, condition, and operational status. This includes verifying whether each item remains in service, in storage, or requires disposal.
2. **Ensure All Capital Equipment Are Properly Tagged:** By June 23, 2025, the responsible COCC Department or Division must ensure that all capital equipment under its custody is physically tagged with a unique asset number or identifier in compliance with AO 8-2.
3. **Update INFORMS Records Based on Verified Status:** By June 23, 2025, following confirmation of the capital equipment's status, the CFD should update INFORMS accordingly, including correcting location information, assigning missing tag or serial numbers, or initiating the disposal process as needed. All updates should be supported by proper documentation to align with the County's capital equipment procedures.
4. **Enhance Location Data:** To improve inventory accuracy and ensure compliance with AO 8-2, and Florida Administrative Code Chapter 69I-73.006(1)(3) regarding required inventory documentation, the CFD should coordinate with TSD or INFORMS administrators to ensure that the "ID Location" field includes a clear Department or Division description name and physical location.

Auditee Response and Action Plan

- **June 23, 2025:** *All capital equipment recorded as "In Service" should be accounted for when the annual inventory verification is performed. In addition, all capital equipment should have a clear location in INFORMS.*
- **Action Plan:** *The CFD will investigate and confirm the status and location of the assets and ensure they are all properly tagged and recorded in INFORMS.*
- **July 15, 2025 Update:** *Each asset is being investigated to confirm its status and location.*
- **August 21, 2025 Update:** *These capital assets have not been located. Emails were sent to various locations. None of the locations claimed the assets and the status in INFORMS is classified as "In Service" so that we can continue researching the location of the assets. If the assets are not located, the CFD will file a police report so that the assets can be disposed in the next inventory cycle.*
 - **Target Completion Date:** *Completed, no further action is needed.*



Finding #4: Discrepancies Identified in VAB & TSD in Capital Inventory Reporting and INFORMS Records

Value Adjustment Board (VAB):

An interim review of the Capital Equipment Inventory as of April 30, 2025, identified two untagged items reported by the VAB that were not recorded in INFORMS. In response to Audit Management's request for an updated inventory listing and supporting invoices, the VAB submitted documentation to verify whether these items met the capital equipment criteria, and the following was noted:

1. The VAB had six capital equipment items to report, instead of the two initially listed.
2. Four assets totaling \$58,462 were recorded as "In Service" in INFORMS but were not reported in the VAB's 2024 Capital Equipment Inventory Worksheets. The VAB confirmed that these assets were pending disposal.
3. One of the two untagged and unrecorded items, an XPS 8960 Server (Serial Number: 5RRVRY3), was valued at \$2,114. As this amount falls below the County's capitalization threshold, the item should be recorded in INFORMS as a non-capital asset.
4. The second untagged and unrecorded item, reported as a "Dell DMC PowerEdge T150 Server," was supported by an invoice referencing a "Custom PC BIS-COM-C-PC" (Serial Number: 12FZRY3), valued at \$15,326.

A follow-up review conducted as part of the FY2025 Capital Equipment Inventory as of August 2025 concluded the following (Table VIII):

1. The four capital equipment items pending disposal were appropriately disposed of, and their statuses were updated in INFORMS to "Disposed."
2. The XPS 8960 Server is a non-capital asset was recorded in INFORMS.
3. The capital equipment item reported as a "Dell DMC PowerEdge T150 Server" (cost: \$15,326) was tagged with #890732. This item initially recorded in INFORMS under the description "Custom PC BIS-COM-C-PC", was updated to reflect the correct description: "Dell DMC PowerEdge T150 Server".

Table VIII
Status of Value Adjustment Board Inventory Listing as of August 2025

Tag #	Capital Equipment Description	Total Cost	Status INFORMS August 2025	Acquisition Date
890732	Dell DMC Power Edge T 150 Server	\$ 15,326	In Service	11/27/2023
Not Tagged	XPS 8960 Server	\$ 2,114	Not Recorded in INFORMS	10/6/2023
	<u>Total "In service" Assets</u>	<u>\$ 17,440</u>		
854595	Dell Optiplex 9020 Server	\$ (14,615)	Disposed	7/29/2016
854596	Dell Optiplex 9020 Server	\$ (14,615)	Disposed	7/29/2016
854597	Dell Optiplex 9020 Server	\$ (14,615)	Disposed	7/29/2016
854598	Dell Optiplex 9020 Server	\$ (14,615)	Disposed	7/29/2016
	<u>Total "Disposed" Capital Equipment</u>	<u>\$ (58,460)</u>		

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations.



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Technical Services Department (TSD):

A review of the Capital Equipment Inventory Worksheets submitted by TSD as of July 2024 revealed the following: (Table IX)

1. Three items reported as “In Service” by TSD were instead found to be in service in the Criminal Court Department. (Asset # 800197, 828221 & 826877).
2. Two items were reported without a condition status and were not located during physical observations. (Asset # 880147 & 673663)
3. Three items reported as “In Service” in the 2024 Capital Equipment Inventory Worksheets are recorded as “Disposed” in INFORMS and were not located during physical observations. (Asset # 826444, 802855 and 803418)
4. One item reported as “Pending Disposal” is not recorded in INFORMS. (Asset # 676863).

A follow-up review conducted as part of the FY2025 Capital Equipment Inventory in August 2025 revealed that TSD reported several assets that were temporarily under its custody for repairs and maintenance. However, the primary custodians of these assets remain the respective departments where the assets were originally acquired and placed in service. This practice increases the risk of duplicate reporting and inaccurate tracking of capital equipment locations. To strengthen the inventory process and ensure accurate reporting, Audit Management recommended that, beginning in FY2025, TSD report only the capital equipment officially assigned to its department in the Capital Equipment Inventory (Form 784, *INFORMS Capital Equipment Inventory Worksheet*). TSD effectively implemented this recommendation.

Table IX
Status of Technical Services Department Inventory Listing as of August, 2025

COCC Office	Tag #	Capital Equipment Description	Total Cost	Status INFORMS As of August 2025	Acquisition Date	Status per AM Review
Technical Services Department	673663	HP Proliant DL380 Server	\$ 6,567	In Service	10/27/2006	Un-Located Year 1
Technical Services Department	802855	Canon DR-9080C Scanner	\$ 6,395	Disposed	10/26/2007	Disposed by PIOD
Technical Services Department	803418	Canon DR-9080C Scanner	\$ 6,395	Disposed	1/10/2008	Disposed by PIOD
Criminal Court Department	800197	Canon DR-9080C Scanner	\$ 6,590	In Service	4/17/2007	In Service - Criminal
Criminal Court Department	828221	Canon DR-9050C Scanner	\$ 5,950	In Service	1/22/2013	In Service - Criminal
Criminal Court Department	826877	Canon DR-9050C Scanner	\$ 6,211	In Service	10/11/2012	In Service - Criminal
Family Court Department	880147	Canon DR-G2110 Scanner	\$ 5,050	In Service	7/1/2021	In Service - Family
Technical Services Department	826444	Canon DR-9050C Scanner	\$ 5,895	Disposed	4/27/2012	Disposed by PIOD
Technical Services Department	673863	HP Proliant DL380 Server	\$ 1,386	Not recorded in INFORMS		Non-Capital Asset, Disposed Per Fixed Asset System (FAS)
			\$50,439			

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations



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Recommendation(s):

1. **Conduct an Internal Review Prior to Submitting the FY2025 Capital Equipment Inventory Worksheets:** By June 23, 2025, the VAB and TSD must perform a comprehensive internal review of all capital equipment under their custody. This includes locating all assets that are In Service, Pending Disposal, Newly Acquired, Transferred, or Disposed, verifying their status, and preparing appropriate documentation to ensure that records are accurate and complete at the time of physical observations.
2. **Ensure All Capital Equipment is Properly Tagged:** By June 23, 2025, the VAB must ensure that all capital equipment under its custody is physically tagged with a unique asset number or identifier in compliance with AO 8-2.
3. **Complete the Disposal of Obsolete Assets:** By June 23, 2025, the VAB and TSD must complete the disposal process for all capital equipment currently under its custody that are pending disposal. As there is no operational justification to retain these assets, timely disposal will help maintain the accuracy of capital equipment records and prevent overstatement of the capital equipment inventory.
4. **Finance Department Coordination to Update INFORMS:** By June 23, 2025, and after completing the tagging and disposal processes, the VAB and TSD should coordinate with the CFD to ensure that all INFORMS records are updated accordingly. Updates should include precise locations, tag numbers, serial numbers, asset status, descriptions, and custodial assignments.

Auditee Response and Action Plan:

- **CFD Response - July 15, 2025:**
 1. *The four assets 854595, 854596, 854597, and 854598 were Disposed by PIOD in INFORMS in May 2025.*
 2. *XPS 8960 Server does not meet the capitalization threshold. It will not be recorded in INFORMS.*
 3. *Dell DMC Power Edge T150 Server and Custom PC BIS-COM0C-PC are the same asset. It was tagged with #890732 and recorded in INFORMS.*
 4. *Asset 800197 was transferred from TSD to Criminal. CFD attached the supporting transfer form in INFORMS.*
 5. *Pending response from TSD to an email requesting copies of transfer forms and property action forms for assets 828221, 82687, 880147, 673663, 826444, 802855, 803418, and 673863.*
- **August 21, 2025 Update:**
 1. *Assets 673663 - The status is marked as In Service, and deemed un-located year 1.*
 2. *Assets 802855 and 803418 – Disposed by PIOD.*
 - **Target Completion Date:** *Completed, no further action is needed.*



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Finding #5: Capital Equipment Recorded as “In Service” in INFORMS but Not Currently in Use

An interim review of the Capital Equipment Inventory as of April 30, 2025 (Table X), revealed the below capital equipment recorded as “In Service” in INFORMS; however, they are not currently being used at their assigned locations.

Table X
Status of Capital Assets recorded as “In service” in INFORMS, not in use as of April 30, 2025

COCC Office	Tag #	Capital Equipment Description	Total Cost	Status INFORMS	Status per AM August 2025
Human Resources Department	575299	Projector Audio Visual	\$ 5,479	In Service	Un-Located Year 1
Technical Services Department	668582	Nortel Passport 1624G	\$ 6,833	In Service	In Service
Technical Services Department	612544	Eaton Powerware 36/24+ UPS	\$13,789	In Service	In Service
North Dade District Court	803293	Canon DR-9080C Scanner	\$ 6,395		Transferred to Traffic
			<u>\$32,496</u>		

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations

A follow-up review conducted as part of the FY2025 Capital Equipment Inventory as of August 2025 revealed that the following capital equipment are listed as “In Service” in INFORMS but are not in use. (Table XI)

Table XI
Capital Assets recorded as “In service” in INFORMS, not in use as of August, 2025

COCC Office	Tag #	Capital Equipment Description	Total Cost	Status INFORMS August 2025	Acquisition Date
Technical Services Department	706309	Nortel 5510-48T Switch	\$ 5,997	In Service	7/23/2007
Technical Services Department	801527	Canon DR-9080C Scanner	\$ 6,590	In Service	5/23/2007
South Dade District Court Operations	828234	Canon DR-9050C Scanner	\$ 5,950	In Service	1/22/2013
South Dade District Court Operations	828237	Canon DR-9050C Scanner	\$ 5,950	In Service	1/22/2013
Comptroller Finance Operations Department	857775	Canon Scanner: Internal Compliance C&C	\$ 6,929	In Service	10/20/2017
Comptroller Finance Operations Department	857877	Rear Conference Room Table	<u>\$ 5,306</u>	In Service	11/29/2017
			<u>\$ 36,722</u>		

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations

As a result of Amendment 10, CFOD is now part of the COCC. Accordingly, CFOD was included within the scope of the audit. Although CFOD maintains its own capital equipment inventory listing in INFORMS (FN), this finding relates to an asset recorded as “In Service” but currently not in use. COCC management may consider reassigning the asset to another department within the COCC before exploring the option of transferring it to the County.



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Recommendation(s):

1. **Evaluate Asset Utilization and Operational Need:** By June 23, 2025, the responsible Departments must assess the operational need and relevance of capital equipment currently recorded as “In Service” but not in use. This evaluation should determine whether these items are needed, underutilized, or obsolete.
2. **Reassign or Transfer Assets to a Department in Need:** If these items are functional and meet operational standards, they should be transferred and assigned to a Department/Division/Unit with a documented need. Transfers should be formally recorded via PAF to ensure accurate asset tracking.
3. **Update INFORMS to Reflect Accurate Status and Location:** Following the evaluation and any transfers or disposals, INFORMS should be updated to reflect the current status, location, and custodian of each asset. This will enhance the accuracy of the capital equipment database and improve accountability during future inventories.

Auditee Response and Action Plan:

- **July 15, 2025:** Asset 803293 will be transferred in INFORMS from North Dade to Traffic/Misdemeanor.
- **August 21, 2025 Update:**
 1. Asset 575299 - We are unable to locate this asset. The status of the asset has been changed to In Service in INFORMS. It has been requested of Human Resources to file a police report.
 2. Assets 668582, & 612544 - The status of the assets is marked as In Service until we receive a copy of the fully executed PAF for these assets.
 3. Assets 706309, 801527, 828234, & 828237- The status of the assets has been changed to In Service in INFORMS.
 - **Target Completion Date:** Completed, no further action is needed.

Finding #6: Capital Equipment Recorded as “In Service” in INFORMS, and Currently Non-Operational, but Still Needed

A reconciliation between capital equipment recorded in INFORMS, and the consolidated Capital Equipment Inventory Worksheets submitted by COCC Departments as of April 30, 2025, revealed that five capital equipment items are recorded as “In Service” in INFORMS; however, they are currently non-operational though still needed for future use.

Audit procedures, including physical observations and requests for supporting documentation, were performed to confirm the existence of these assets and determine whether repairs should be initiated or the disposal process should begin. As of this report’s date, three COCC Departments had not provided the requested information. (Table XII)



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Table XII
Status of Capital Assets Reported as “in Service” in INFORMS currently non-operational, as of April 30, 2025

COCC Office	Tag #	Capital Equipment Description	TOTAL COST	Status INFORMS August 2025	Acquisition Date	Status per AM August 2025
Domestic Violence Unit	807246	Fujitsu FI-575C Scanner	\$ 5,572	In Service	5/2/2008	Unlocated Year 1
Family Court Department	673912	Fujitsu FI-5750C Scanner	\$ 5,501	Suspended	10/4/2006	To be Disposed of
County Recorder Department	663490	Canon Microfilm Scan 300	\$ 9,989	In Service	11/9/2004	Unlocated Year 1
Family Court Department	637040	Canon Microfilm	\$ 6,855	In Service	10/19/2001	In Service, Operational
County Recorder Department	673914	Canon Microfilm Scan 300	\$ 9,284	In Service	10/4/2006	In Service, Operational
			\$ 37,201			

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations

A follow-up review conducted as part of the FY2025 Capital Equipment Inventory as of August 2025 revealed that four capital equipment items listed as “In Service” in INFORMS are not operational and require repair (Table XIII). Additionally, it was noted that capital equipment item #889874, acquired on December 18, 2024, at a cost of \$7,143, had not been recorded in INFORMS, was not operational, and required repair. This capital equipment item was subsequently recorded in August 2025 in INFORMS.

Table XIII
Capital Assets Reported as “in Service” in INFORMS currently non-operational, as of August, 2025

COCC Office	Tag #	Capital Equipment Description	TOTAL COST	Status INFORMS August 2025	Acquisition Date
Family Court Department	845860	Canon DR G2110 Scanner	\$ 5,063	In Service	2/10/2020
Family Court Department	845861	Canon DR G2110 Scanner	\$ 5,063	In Service	2/10/2020
Caleb Center District Court Operations	877186	Canon DR-G2110 Scanner	\$ 5,093	In Service	8/19/2020
Traffic & Misdemeanor Court Department	803293	Cannon DR-9080C Scanner	\$ 6,395	In Service	11/21/2007
Technical Services Department	889874	Whitaker Hard Drive Crusher	\$ 7,143	In Service	12/18/2024
			\$ 28,757		

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations.

Recommendation(s):

- Evaluate Future Use of Non-Operational Assets:** By June 23, 2025, the CFD, in coordination with the primary Capital Asset Custodians, (the Directors of each COCC Department) should determine whether the non-operational capital equipment items will be disposed of or repaired.
- Update INFORMS Based on Verified Asset Status:** By June 23, 2025, following the repair or disposal process, the CFD should update INFORMS to reflect each asset’s accurate status. This includes updating the status to “Disposed,” supported by a PAF, or documenting “Under Repair” where applicable, ensuring each capital equipment item is properly reported in accordance with County Capital Assets Procedures.
- Ensure Status and Documentation During Physical Observations:** During the July 2025 physical inventory observations, COCC Departments must provide a clear status of each non-operational capital equipment and maintain appropriate supporting documentation. This includes documentation confirming



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whether the item is undergoing repair, or submission of a PAF confirming disposal.

Auditee Response and Action Plan:

• **August 21, 2025:**

1. Assets 807246 & 663490 - The status will remain marked as In Service. The asset has been un-located for 1 year. A police report will be filed the third year that the asset is un-located.
2. Asset 673912 - We received a fully executed PAF. The status has been updated to Suspended in INFORMS.

- **Target Completion Date:** Completed, no further action is needed.

Finding #7: Capital Assets Recorded as “In Service” by the Comptroller Finance Operations Department (CFOD), and Not Located During the Physical Inventory Observations

We performed a reconciliation between the total capital equipment recorded in INFORMS and the Capital Equipment Inventory Worksheets submitted by all COCC Departments as of April 30, 2025, and noted that five capital equipment items (Table XIV) were recorded in INFORMS by the CFOD and listed as “In Service.” However, these items were not located at the corresponding sites recorded in INFORMS, and one item did not have a tag number.

While INFORMS includes an ID Location field, it does not provide a corresponding description identifying the responsible Department or Division. This omission makes it difficult to confirm the actual location or asset custodian, limiting accountability and impairing the ability to verify the asset’s existence during physical observations.

During the physical observations performed in July 2025, we noted that four of the five un-located capital inventory items were found, and the one item without a tag number was properly tagged as #890732. Only capital equipment item #889662 remains un-located.

Table XIV
Status of Capital Assets Recorded in INFORMS by the CFOD as of August, 2025

COCC Office	Tag #	Capital Equipment Description	Total Cost	Status INFORMS August 2025	Acquisition Date	Status per AM August 2025
South Dade District Court Operations	889659	Canon Scanner DR-G2110	\$ 5,010	In Service	8/7/2024	Located in South Dade
South Dade District Court Operations	889660	Canon Scanner DR-G2110	\$ 5,010	In Service	8/7/2024	Located in South Dade
Criminal Court Department	889661	Canon scanner DR-G2110	\$ 5,010	In Service	8/7/2024	Located in Criminal
Value Adjustment Board	890732	Custom PC BIS-COM-C-PC	\$ 15,326	In Service	11/27/2023	Located in VAB
Not reported by any COCC office	889662	Canon scanner DR-G2110	\$ 5,010	In Service	8/7/2024	Un-Located Year 1
			\$ 35,367			

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations.

Recommendation(s):

1. **Verify Existence and Status of Untraceable Assets:** By June 23, 2025, the CFOD, in coordination with the CFD, should verify the existence, status, and location of the five capital equipment items listed in



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Table XIV. If these items cannot be located, the appropriate disposal or adjustment process should be initiated in accordance with AO 8-2.

2. **Ensure All Capital Assets Are Properly Tagged:** By June 23, 2025, the responsible Department must ensure that all capital equipment under its custody is physically tagged with a unique asset number or identifier in compliance with AO 8-2.
3. **Update INFORMS Records:** By June 23, 2025, INFORMS should be updated to include a clear and descriptive Department or Division name associated with each asset's ID Location. This will improve accountability, enable accurate tracking, and support future inventory verification efforts.

Auditee Response and Action Plan:

- **June 23, 2025:** All assets need to be located and properly identified in INFORMS. The assets recorded as "In Service" by the CFOD will be verified.
- **Action Plan:** CFD will investigate and confirm the status and location of the assets and ensure that they are all properly tagged and recorded in INFORMS.
- **August 21, 2025 Update:** Asset 889662 – The status was changed to In Service. It has been un-located for 1 year. A police report will be filed the third year that the asset is un-located.
 - **Target Completion Date:** Completed, no further action is needed.

Finding #8: Capital Assets Recorded as "In Service" in INFORMS that are Non-Operational, No Longer Needed, and the Disposal Process has Not Been Initiated

A review of the 2024 Capital Equipment Inventory Worksheets submitted by all COCC Departments as of July 2024 revealed that the COCC offices listed in Table XV reported capital equipment as "does not work and we do not need it"; Capital Assets to be disposed of." However, the disposal process had not been initiated as of April 30, 2025, when the interim capital equipment review was performed.

Table XV
Status of Capital Assets reported as "in service" in INFORMS, but non-operational, as of April 30, 2025

COCC Office	Tag #	Capital Equipment Description	Total Cost	Status INFORMS August 2025	Acquisition Date	Status per AM August 2025
Records Management Department	877184	Canon DR-G2110 Scanner	\$ 5,093	Suspended	8/19/2020	To be disposed of by PIOD
Circuit civil / Tax Deeds Unit	828554	Computer Equipment	\$ 6,214	Suspended	5/20/2013	To be disposed of by PIOD
Records Management Department	466798	Paper Shredder	\$ 6,511	Disposed	1/1/1980	Disposed via Auction by PIOD
Family Court Department	807263	Canon DR-9080C Scanner	\$ 6,280	Suspended	5/9/2008	To be disposed of by PIOD
Parking Operations Department	843918	Laptop (LPR @ South Miami)	\$ 6,000	In Service	8/8/2018	Un-located Year 1
Parking Operations Department	843919	Trunk Unit (LPR @ South Miami)	\$ 5,780	In Service	8/8/2018	Un-located Year 1
			<u>\$ 35,878</u>			

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations



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A follow-up review conducted as part of the FY2025 Capital Equipment Inventory as of August 2025 revealed the following (Table XVI):

1. Six capital equipment items recorded as “In Service” in INFORMS were reported as “Disposed” and supported by PAFs that were not signed by PIOD. This lack of proper documentation makes it difficult to confirm whether the disposal process was properly completed and prevents the CFD from appropriately updating the capital equipment’s status in INFORMS.
2. Four capital equipment items previously reported by TSD as “In Service” during FY2024 were not located during the FY2025 physical observations. These assets were recorded as “Disposed” in INFORMS in FY2021 and FY2022; however, the supporting PAFs are missing both the PIOD’s and authorizing signatures.
3. One asset reported by the Domestic Violence Unit was determined to be a non-capital asset. The PAF used to dispose of this item is missing the required PIOD signature.

Table XVI
Capital Assets reported as “in service” in INFORMS, but non-operational, as of July, 2025

COCC Office	Tag #	Capital Equipment Description	Total Cost	Status INFORMS August 2025	Acquisition Date	Status per AM August 2025
Domestic Violence Unit	607071	HP LaserJet Printer 4000N	\$ 1,337	-	5/14/1999	Non-Capital
Domestic Violence Unit	807246	Fujitsu FI-575C Scanner	\$ 5,572	In Service	5/2/2008	Un-located year 1
Family Court Department	673912	Fujitsu FI-5750C Scanner	\$ 5,501	Suspended	10/4/2006	To be disposed of by PIOD
Family Court Department	673883	Fujitsu FI-5750C Scanner	\$ 5,501	Suspended	10/4/2006	To be disposed of by PIOD
Probate Mental Health & Auditing	828228	Canon DR 9050C Scanner	\$ 5,950	Suspended	1/22/2013	To be disposed of by PIOD
Technical Services Department	612544	Eaton Powerware 36/24+ Plus Server UPS	\$ 13,789	In Service	2/14/2000	To be disposed of
Technical Services Department	668582	Nortel Passport Switch	\$ 6,833	In Service	8/4/2005	To be disposed of
Technical Services Department	672798	Compaq Proliant Server	\$ 6,225	Disposed	6/7/2006	Disposed by PIOD
Technical Services Department	675394	Canon DR-9080C Scanner	\$ 6,590	Disposed	1/9/2007	Disposed by PIOD
Technical Services Department	706434	Compaq Proliant Server	\$ 5,820	Disposed	8/23/2007	Disposed by PIOD
Technical Services Department	822199	Canon MS-300 Microfilm	\$ 5,620	Disposed	11/4/2010	Disposed by PIOD
			<u>\$ 68,738</u>			

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations.

As of August 2025, the CFD clarified the status of these assets and reported them appropriately in INFORMS.

Recommendation(s):

1. **Review Asset Listings for Accuracy and Operational Status:** By June 23, 2025, the responsible Department should conduct a review of all capital equipment currently marked as “In Service” to verify operational status and necessity. Assets that are non-operational or no longer required should be identified and addressed through the appropriate disposal procedures in coordination with the CFD.
2. **Complete the Disposal of Obsolete Assets:** By June 23, 2025, the responsible Department must complete the disposal process for all capital equipment currently under its custody. As there is no operational



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justification to retain these assets, timely disposal will help maintain the accuracy of capital equipment records and prevent overstatement of capital equipment inventory.

3. **Coordinate with Finance to Update INFORMS Records:** By June 23, 2025, and after completing the disposal processes, the responsible department should coordinate with the CFD to ensure that all capital equipment records in INFORMS are updated accordingly. Updates should reflect accurate locations, tag numbers, serial numbers, asset status, descriptions, and custodial assignments.

Auditee Response and Action Plan:

- **June 23, 2025:** *The CFD agrees that if the assets are no longer needed, the assets should be properly disposed of and updated in INFORMS.*
- **Action Plan:** *The CFD will investigate and confirm the status and location of the assets and coordinate with the locations to dispose of the assets then update INFORMS accordingly.*
- **August 21, 2025 Update:**
 1. *Assets 843918, 807246 & 843919 – These assets have been un-located for 1 year. A police report will be filed if the assets remain un-located for an additional 2 years.*
 2. *Assets 807263, 877184, 828554, 673912, 673883, 828228 – Fully executed PAFs were received and the assets were place in “Suspended” status in INFORMS.*
 3. *Assets 612544 & 668582 – The status of these assets remain as “In Service” until a copy of the fully executed PAF is received.*
 4. *Remaining assets were disposed of by PIOD.*
 - **Target Completion Date:** *Completed, no further action is needed.*

Finding #9: Capital Equipment Not Found but Reported as “In Service” in INFORMS

As of April 30, 2025, capital equipment item #607367 and #665535, with a combined value of \$15,545, were not located and remain recorded as “In Service” in INFORMS. (Table XIV).

- Tag #607367: Unlocated for over three years. In accordance with AO 8-2, a police report was filed under case number 240814254337.
- Tag #665535: Unlocated for two years. If not found during the FY2025 physical observations, a police report must be filed and documented in accordance with AO 8-2.

A follow-up review conducted as part of the FY2025 Capital Equipment Inventory in July 2025 identified three additional capital equipment items that remain un-located and listed as “In Service” in INFORMS



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Table XIV
Unlocated Capital Assets reported as “In Service” in INFORMS

COCC Office	Tag #	Capital Equipment Description	Total Cost	Status INFORMS August 2025	Acquisition Date	Status per AM August 2025
North Dade District Court Operations	607367	Data Recorder	\$ 8,881	Disposed	6/29/1999	Disposed
Hialeah District Court Operations	665535	Canon CD-4070 NW Printer	\$ 6,664	Disposed	3/22/2005	Disposed
County Recorder Department	663490	Canon Microfilm Scan 300	\$ 9,989	In Service	11/9/2004	Un-located 1 year.
Human Resources Department	575299	Projector Audio Visual Equipment	\$ 5,479	In Service	8/16/1995	Un-located 1 year.
Not reported by any COCC office	889662	Canon scanner DR-G2110	\$ 5,010	In Service	8/7/2024	Un-located 1 year.
			<u>\$ 36,024</u>			

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations

Recommendation(s):

- 1. Remove Asset 607367 from INFORMS:** Asset 607367 has remained un-located for over three years and a police report was filed in accordance with the AO 8-2 Section 6.8. This capital equipment should be removed from INFORMS and supporting documentation, including the police report, should be uploaded in INFORMS and retained for 5 years following retention policy guidelines.
- 2. Verify Asset 665535 during FY2025 Physical Observations:** During the FY2025 physical inventory observations, the existence of Asset 665535 should be verified. If this capital equipment remains un-located, a police report must be issue, and the asset should be removed from INFORMS before August 29, 2025.
- 3. Strengthen Timely Asset Disposition Procedures:** The responsible departments should ensure that un-located capital equipment is addressed promptly in accordance with the AO 8-2, including the timely filing of police reports and submission of PAFs, to maintain accurate and reliable capital equipment records.

Auditee Response and Action Plan:

- June 23, 2025:** *The CFD agrees that the assets determined un-located during the annual inventory process should be reported or removed as appropriate in INFORMS.*
- Action Plan:** *The CFD will investigate and confirm the status of the un-located assets and ensure the appropriate outcome is reflected in INFORMS.*
- August 21, 2025 Update:**
 - Asset 607367 & 665535 – Police report has been processed, documented and uploaded in INFORMS and the “Disposal” status has been entered/requested in INFORMS.*
 - Assets 663490, 575299 & 889662 – These assets have been un-located for 1 year. A police report will be filed if the assets remain un-located for an additional 2 years.*
 - Target Completion Date:** *Completed, no further action is needed.*



Finding #10: Capital Equipment Not Located During Physical Observations - Domestic Violence Unit

An interim review of capital equipment as of April 30, 2025, revealed that the Domestic Violence Unit (DVU) reported three assets (Table XV) as “In Service” in the Capital Equipment Inventory Worksheets submitted in FY2024. However, the records for these items lacked the requisite tag numbers, serial numbers, and cost information.

During the physical observations conducted in July 2025, one previously untagged asset (Canon Image DR-G2110) was identified with a cost of \$4,960, which falls below the capitalization threshold and should be classified as a non-capital asset. The remaining two assets were not located and were not reported by the DVU for FY2025. These two assets were erroneously reported in FY2024, as no purchase records were found and they were not physically located.

Table XV
Capital Assets Not Located During Physical Observations

Tag #	Capital Equipment Description	Total Cost	Status INFORMS August 2025	Acquisition Date	Status per AM August 2025
No Tag	Canon DR - G2110	\$ -	No recorded	-	Error
No Tag	Canon Image Formulx	\$ -	No recorded	-	Error
No Tag	Canon Image DR - G1100	\$ 4,960	Non-Capital	2/14/2024	Non-Capital
		<u>\$ 4,960</u>			

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations.

Recommendation(s):

- Conduct Internal Review Prior to Submitting FY2025 Capital Equipment Inventory Worksheets:** By June 23, 2025, the DVU must perform a comprehensive internal review of all capital equipment under its custody prior to submitting their FY2025 Capital Equipment Inventory Worksheets to the CFD. This review should include locating all assets, whether In Service, Pending Disposal, Newly Acquired, Transferred, or Disposed, verifying current status, and preparing the appropriate documentation to ensure capital equipment records are accurate and complete ahead of physical observation.
- Ensure All Capital Equipment Are Properly Tagged:** By June 23, 2025, the DVU must ensure that all capital equipment under its custody is physically tagged with a unique asset number or identifier in compliance with AO 8-2.
- Coordinate with Finance to Update INFORMS Records:** By June 23, 2025, after completing the tagging and disposal processes, the DVU should coordinate with the CFD to ensure all capital equipment records in INFORMS are updated accordingly. Updates should reflect accurate locations, tag numbers, serial numbers, asset status, descriptions, and custodial assignments.



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Auditee Response and Action Plan:

- **July 15, 2025:** *The assets will not be recorded in INFORMS. The assets are not tagged and determine to be non-existent per supporting documentation.*
 - **Target Completion Date:** *Completed. No further action required.*

Finding #11: Capital Equipment Reported for Disposal by COCC Office Not Found in INFORMS

During the physical observations conducted in July 2025, asset #640064 and asset #608662 were identified with the following situations (Table XVI):

4. Both assets were observed and determined to be designated for disposal.
5. The PAFs provided were not signed by the PIOD.
6. Neither capital equipment item is recorded in INFORMS, indicating a gap in tracking and documentation.

Table XVI
Capital Equipment reported for Disposal not recorded in INFORMS

COCC Office	Tag #	Capital Equipment Description	Estimated Cost	Status INFORMS August 2025	Status per AM August 2025
Hialeah District Court Operations	640064	Canon CD 4050N	\$ 300	No found in INFORMS	Non-Capital To be disposed of
Domestic Violence Unit	608662	Canon Laser Class 5000S	\$ 300	No found in INFORMS	Non-Capital To be disposed of

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations.

An invoice search was conducted, but no supporting documentation was found. Based on responses from the responsible COCC offices and the manufacture dates, the invoices are not available, likely because the assets were acquired more than 25 years ago (prior to 2000). A review of market retail information was also performed to estimate costs and assess capitalization criteria. Both assets have been discontinued, with no current market values for new units. Comparable used equipment retails from between \$250 and \$350, which falls below the capitalization threshold.

Recommendation(s):

1. **Classification of Assets:** The identified items should be treated as non-capital, as they do not meet the capitalization threshold for capital equipment.
2. **Disposal of Assets:** Proceed with the disposal process for these items in accordance with County procedures for non-capital items.



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Auditee Response and Action Plan:

- **June 23, 2025:** *The CFD will investigate and confirm the series of events that occurred regarding the asset to determine the appropriate entry needed.*
- **July 15, 2025 - Update:** *An email will be sent to Procurement to request a copy of the invoice to verify the cost and date of acquisition. Once the information is obtained, it will be used to determine if the asset should be capitalized.*
- **August 21, 2025 – Update:** *The CFD classified these assets as non-capital.*
 - **Target Completion Date:** *Completed. No further action required.*

Finding #12: Capital Equipment Reported as “In Service” by COCC Office not found in INFORMS

The Probate and Mental Health Unit (P&MHU) reported one capital equipment item (Table XVII) as “it works and is in use” in the Capital Equipment Inventory Worksheets submitted in FY2024. However, this item is not recorded in INFORMS and does not have a tag number.

Table XVII
Capital Equipment not recorded in INFORMS

COCC Office	Serial #	Capital Equipment Description	Total Cost	Status INFORMS July 2025	Acquisition Date	Action Required
Probate & Mental Health	JG312628	Canon DR-G2110	\$ 4,960	No found in INFORMS	2/14/2024	Non-Capital No further Action Required

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations

During the July 2025 follow-up review of the FY2025 Capital Equipment Inventory, a Canon Image DR-G2110 (Serial #JG312628) was located in the P&MHU. An invoice dated February 14, 2024, indicated a total cost of \$9,920 for two scanners (\$4,960 per unit). Since the individual item amount falls below the capitalization threshold, the asset is classified as non-capital.

Recommendation(s):

Accurate Asset Classification: COCC Departments should ensure clarity in the capital equipment they report and avoid classifying non-capital assets as capital equipment. Departments must verify asset values against the capitalization threshold before reporting them to the CFD.

Auditee Response and Action Plan:

- **July 15, 2025 -** *The item acquisition cost does not meet the capitalization threshold and as a result will not be recorded in INFORMS. Department liaisons will be notified that assets should be tagged only after approval from CFD.*
 - **Target Completion Date:** *Completed. No further action required.*



Finding #13: Capital Assets Reported as “In Service” by COCC Offices Not found in INFORMS

The following COCC offices reported capital equipment items (Table XVIII) as “operational and in use” in the Capital Equipment Inventory Worksheets submitted in FY2024. However, these assets are not recorded in INFORMS.

Additionally, during the FY2025 Capital Equipment Inventory performed in July 2025, the assets were not located. Audit Management requested supporting documentation, such as invoices or PAFs in the event of transfer or disposal. Based on the results of the FY2025 Capital Equipment Inventory, auditors determined that these items were incorrectly reported due to typographical error.

Table XVIII
Capital Assets reported “In used” by COCC Offices not recorded in INFORMS

COCC Office	Tag #	Capital Equipment Description	Status INFORMS August 2025	Status per AM August 2025
Criminal Court Department	826679	Canon DR-9050C Scanner	No found in INFORMS	Typographical error. The correct asset number is 826879
Technical Services Department	880447	Canon DR-O2110 Scanner	No found in INFORMS	Typographical error. The correct asset number is 880147

Source: INFORMS Inventory Listing as of August 2025 and FY2025 Physical Observations

Recommendation(s):

Investigate and Confirm Capital Equipment Status and Location: By June 23, 2025, the CFD, in coordination with the responsible COCC Department, should investigate the assets listed in **Table XVIII** to determine their current location, condition, and operational status. This includes verifying whether each item with the incorrectly entered tag number is In Service, in Storage, or should be Disposed.

Auditee Response and Action Plan

- **June 23, 2025:** *CFD will follow up with the departments to obtain documentation so that a conclusion can be reached regarding these assets by August 29, 2025.*
 - **Target Completion Date:** *Completed. No further action needed.*

Best Practices:

- **Reinforce Accountability and Compliance with Capital Equipment Inventory Reporting Requirements:** It is essential to reinforce with each Department Director the requirement of full accountability of all capital equipment items under their custody. The information reported during the Capital Equipment Inventory process is statutorily mandated and must be accurate, complete, and submitted without exception. Directors must understand that timely responses and proper documentation, such as asset verification, tagging, and disposal forms, are critical to maintaining reliable financial records and compliance with Florida Administrative Code Chapter 69I-73, Florida Statutes Chapter 274, and Miami-Dade County AO 8-2, “Use, Care, Control and Disposal of County Property.



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- **Require Capital Equipment Attestation from All COCC Departments:** In accordance with AO 8-2, Section 5.1, Department Directors are accountable for all capital equipment assigned to them and are required to certify annual inventories. To fulfill this requirement, each Department Directors must sign an attestation confirming that all capital equipment under their custody have been located, physically counted, and accurately documented during the inventory process. The Capital Equipment Inventory Worksheet must be complete, accurate, and timely submitted without exception.
- **Strengthen Capital Equipment Classification Reviews:** The CFD should strengthen internal review procedures for all capital equipment classifications, particularly those related to software and intangible assets, to ensure proper application of GASB guidance to prevent future misclassifications.
- **Accurate Asset Classification:** COCC Departments should ensure clarity in the assets they report and avoid misclassifying non-capital assets as capital equipment. Departments must verify asset values against the capitalization threshold before reporting them to the CFD.
- **Publish Updated Property Action Form and Clerk of Courts Transfer of Fixed Assets Form:** The CFD should publish the most current version of the PAF on its website to ensure consistent use and accessibility across all COCC offices.
- **Enhance Review Controls Over Asset Disposals:** The CFD should implement a formal review process to verify that all capital equipment disposals are properly documented and reflected in INFORMS, thereby reducing the risk of capital equipment overstatement and improving compliance with internal asset management policies.
- **Implement Verification Controls for Asset Reporting:** The CFD should implement or reinforce a control process to verify that all capital equipment reported in the Capital Equipment Inventory Worksheets are recorded in INFORMS, and that any discrepancies, such as untagged or unrecorded assets, are promptly addressed.

Auditee Response and Action Plan:

- **CFD Response - July 15, 2025:** *Recommended best practices will be reviewed and implemented as applicable commencing with this capital equipment inventory reporting period.*



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