

**Combined Board of Supervisors' and County Executive Office (CEO) Responses to the Grand Jury Report: Ventura County Fire Protection District: Inventory Control Deficiencies.**

**R-01:** The Grand Jury recommends the County revise its Administrative Policy Manual to provide guidance in reporting loss or theft of sensitive non-fixed assets.

**Partially concur.** The Board of Supervisors will ask the CEO to review the related provisions in the Administrative Manual and to evaluate whether revisions are necessary for the adequate inventory control and reporting of sensitive non-fixed assets below \$5,000.

**R-02:** The County should require annual physical inventories of all sensitive non-fixed assets, rather than the current practice of periodic inventories.

**Partially concur.** The Board will ask the CEO to review and evaluate the policy of periodic inventories. The sheer number of sensitive non-fixed assets may make it impractical to annually inventory all such assets due to potential time and budget constraints. Each department may have its own unique circumstances that would dictate some form of random sampling as more efficient. Therefore, a more defined and flexible policy giving some discretion to Department heads may better serve the County's interests.

**R-03:** The Grand Jury recommends District management correct internal control weaknesses that facilitated the loss of District property, and report corrective actions to the BOS and Auditor-Controller.

**Partially Concur.** The board agrees the Fire District needs to implement changes to its inventory control procedures to include a physical inventory and that it be conducted by an appropriate employee that maintains the integrity of the District's checks and balances. However, any corrective actions should be reported to the CEO and Auditor-Controller. The CEO will monitor the implementation of such actions as already established in its audit follow up procedures.

**R-05:** The District and the Auditor-Controller should inventory all sensitive non-fixed assets including laptop computers. The results of the inventory should be reported to the CEO and BOS.

**Concur.** The Board and CEO support the Fire District working with the Auditor-Controller to inventory and reconcile the District's computer equipment for 2007. The District has committed to implementing new procedures to track these assets and will be conducting a physical inventory each year. Again, the CEO will monitor the implementation of the new procedures and will request the results of the inventory.