



Date: August 24, 2011

To: Thomas Bonfield, City Manager
From: Germaine Brewington, Director of Audit Services
Subject: Transmittal of Inventory Audit- June 30, 2011

Executive Summary

The Audit Services Department completed the report on the Inventory Audit as of June 30, 2011. The purpose of the audit was to determine if the inventory value recorded on the City's general ledger as of June 30, 2011 was fairly stated.

Background

Annually, the Audit Services Department conducts an audit of the City's yearend inventory procedures and valuation. The City values its inventories using the weighted average cost method (which approximates the first-in, first-out method). The value of the City's inventory as of June 30, 2011 was \$1,857,455. The City's inventory value reflected on the general ledger was fairly stated as of June 30, 2011. No recommendations were made.

Issues and Analysis

The attached report details the objectives, observations, and results of the audit.

Recommendation

The Department of Audit Services recommends the City Council receive and accept the Inventory Audit for June 30, 2011, as presented and approved at the August 22, 2011 meeting of the Audit Services Oversight Committee.

Attachment