



WHY WE DID THIS AUDIT

An audit of Asset Management of Mobile Computing Devices was conducted pursuant to the City Council-approved fiscal year (FY) 2025/26 Audit Plan. The objective of the audit was to evaluate the effectiveness of controls and management of mobile computing devices throughout their asset lifecycle. For the purpose of this audit, mobile computing devices include laptops, tablets and smartphones.

BACKGROUND

The Information Technology (IT) Department supports the City's operations by managing infrastructure, network operations, security policies, and end-user devices. As part of these responsibilities, the department manages the asset lifecycle for mobile computing devices. This includes device acquisition, setup, configuration, security management, technical support, and final asset disposition.

Additionally, the department administers the related voice and data service plans for these devices. Annual expenditures for voice and data services averaged about \$1.4 million over the past four fiscal years.

AUDIT HIGHLIGHTS

October 2026

Asset Management of Mobile Computing Devices

Audit No. 2605

WHAT WE FOUND

Stronger receiving and disposition controls are needed to ensure accountability and safeguard mobile computing assets.

Specifically,

- Receipt of smartphone and tablet purchases need to be independently verified, recorded, and securely stored; smartphones are not labeled or barcoded.
- Disposition procedures and documentation are insufficient to ensure accountability.

Mobile devices are managed across multiple systems, creating inefficiencies and inconsistent processes.

- Decentralized inventory records contributed to inconsistent data, challenges in tracking devices and service requests, and difficulties monitoring compliance with security requirements.
- Consolidating mobile device records could streamline processes and improve the accuracy and reliability of asset information.

About 4% of mobile phone service lines were associated with terminated employees, and information for reviews of other device charges is insufficient.

- Employee changes are not always communicated timely, and monthly service charges are not adequately validated.
- Monthly cellular service charges, totaling approximately \$1.4 million annually, are generally reviewed for reasonableness. Device information on billings contained incomplete or inaccurate information, making validation difficult.
- Carrier services purchased through cooperative agreements were not approved by the Purchasing department.

Review of technical and security controls identified several high or critical priority areas.

The technical review conducted by our IT audit consultant, Protiviti, identified several high or critical priority issues related to conditional access, device configuration, and vulnerability management. A separate comprehensive report of their recommendations was provided to the IT department.

WHAT WE RECOMMEND

We recommend the Information Technology Department:

- Evaluate its receiving and disposition procedures to ensure adequate separation of duties and accountability of assets.
- Explore consolidating mobile device records, review its asset records to improve data reliability and effectiveness of monitoring activities.
- Improve employee off-boarding procedures, verify monthly service carrier charges, and obtain required Purchasing department approvals.
- Address technical recommendations from the IT audit consultant.

The IT department agreed with the recommendations and estimates implementation by October 2027.