



ITEM ID: 2026-232-0

TRANSMITTAL DATE: June 18, 2026

MEETING DATE: June 26, 2026

TO: Board of Directors

FROM: Elisabeth Lazuardi, Director, Audit

SUBJECT: Performance Audit: Inventory Obsolescence Controls

Issue

The Internal Audit Department (Internal Audit) completed the Performance Audit: Inventory Obsolescence Controls (2026-04-IA).

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** SCRRA will continue improving operational efficiency, accountability, and stewardship of agency resources through strengthened internal controls and oversight processes. Through this audit, opportunities for improvement were identified related to inventory obsolescence policies, system functionality, inventory tracking, and monitoring practices to support more effective inventory management operations.

Background

This audit was included in the FY 2026 Internal Audit Annual Plan approved by the Board of Directors.

Discussion

The objective of the audit was to evaluate whether SCRRA has established adequate procedures, processes, and internal controls to identify, monitor, and manage obsolete, excess, or inactive inventory in a timely manner.

There were three (3) findings and three (3) recommendations in the audit report. Management agreed with the findings and developed corrective actions.

Next Steps

Internal Audit will track the progress of the corrective actions developed by management.

Prepared by: David Rogers, Senior Auditor

Approved by: Elisabeth Lazuardi, Director, Audit

Attachment(s)

[Attachment A - 2026-04-IA Inventory Obsolescence
Presentation - Inventory Obsolescence Controls Audit](#)