

**FROM:** Burnet County Auditor

**DATE:** May 28, 2026

**SUBJECT:** Statutory Scope Limitation and Refusal of Asset Verification by IT Department

Members of the Court,

Pursuant to **Texas Local Government Code § 115.001 and § 115.0035**, the County Auditor has an absolute, independent statutory right and duty to examine all accounts and physical property purchased with Burnet County funds. As detailed in the attached finding, the IT Department has actively blocked the Auditor's Office from fulfilling this statutory duty. Specifically, IT has refused to allow the physical verification, inventorying, and asset-tagging of **\$259,272.41** worth of taxpayer-funded IT infrastructure assets that is **58.5% of the total project cost**. This is not a dispute over technical procedures; it is a **Material Scope Limitation** of a statutory office.

Without individual serial numbers and physical verification, the County cannot:

1. Comply with Burnet County Purchasing Policy (Section VIII) or GASB standards.
2. Ensure accurate financial reporting
3. Validate building contents are adequately covered by insurance.
4. Guarantee that these highly liquid, high-value assets have not been lost, misplaced, or misappropriated.

**Requested Action:**

The Auditor's Office requests the Commissioners Court exercise its administrative authority over the IT Department and have the IT department comply with the Burnet County's Fixed Asset policy. This would ensure:

The Auditor's Office has unhindered physical access to all infrastructure components for the purpose of asset verification and tagging within the next 10 for assets received to date.

And that the Auditor's office will be allowed to tag and track assets prior to assets being paid for and placed in service for all future purchases.



Kelley Glaeser &lt;kglaeser@burnetcountytexas.org&gt;

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**Fixed asset tagging and tracking**

4 messages

**Kelley Glaeser** <kglaeser@burnetcountytexas.org>

Mon, May 18, 2026 at 2:15 PM

To: Chad Collier &lt;ccollier@burnetcountytexas.org&gt;

Cc: Megan Schumann &lt;mschumann@burnetcountytexas.org&gt;, Ashley Edwards &lt;aedwards@burnetcountytexas.org&gt;, Greg Harris &lt;gharris@burnetcountytexas.org&gt;

Good afternoon,

My team has completed as much of the IT fixed asset tagging process as possible. As we discussed, the primary challenges involved limited access to certain assets and/or incomplete supporting documentation needed to verify and reconcile equipment according to Burnet County's fixed asset policies and GASB standards.

I am including the current draft findings for your review. I believe this matter can be solved more efficiently through administrative action, provided we have the continued cooperation and assistance of the IT department in supplying the necessary supporting documentation necessary to complete the process. My preference is to work collaboratively to resolve these items outside of Commissioner's Court. However, if sufficient progress and cooperation are not achieved, I anticipate placing this matter on the June 23rd Commissioner's Court agenda so the Court is aware of the outstanding issues affecting completion of the county's fixed asset verification process.

Thank you,

Kelley Glaeser  
County Auditor  
Burnet County  
KGlaeser@burnetcountytexas.org  
512-756-5495

**IT Fixed Asset inventory recon. and asset tracking proced..docx**

26K

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**Chad Collier** <ccollier@burnetcountytexas.org>

Tue, May 19, 2026 at 10:14 AM

To: Kelley Glaeser &lt;kglaeser@burnetcountytexas.org&gt;

Cc: Megan Schumann &lt;mschumann@burnetcountytexas.org&gt;, Ashley Edwards &lt;aedwards@burnetcountytexas.org&gt;, Greg Harris &lt;gharris@burnetcountytexas.org&gt;

I'm for putting it on the agenda. We can have a discussion with the Comm court present.

Do you want to see if I can still get it on the next one May 26, might as well get it worked out, the sooner the better so we can have a direction moving forward

[Quoted text hidden]

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**Chad Collier** <ccollier@burnetcountytexas.org>

Tue, May 19, 2026 at 11:28 AM

To: Kelley Glaeser &lt;kglaeser@burnetcountytexas.org&gt;

Cc: Megan Schumann &lt;mschumann@burnetcountytexas.org&gt;, Ashley Edwards &lt;aedwards@burnetcountytexas.org&gt;, Greg Harris &lt;gharris@burnetcountytexas.org&gt;

 We'll push this one to June  
[Quoted text hidden]

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**Kelley Glaeser** <kglaeser@burnetcountytexas.org>

Tue, May 19, 2026 at 12:43 PM

To: Chad Collier <ccollier@burnetcountytexas.org>

Cc: Megan Schumann <mschumann@burnetcountytexas.org>, Ashley Edwards <aedwards@burnetcountytexas.org>, Greg Harris <gharris@burnetcountytexas.org>

Bcc: Eddie Arredondo <earredondo@burnetcountytexas.org>, Colleen Davis <cdavis@burnetcountytexas.org>

Chad,

I have not issued this as an Auditor's report. If this is the path you want to proceed with, I will need the "Management's response" section drafted to continue. I can complete my process and the report for the June 23rd Court though.

Thanks,

Kelley

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[Quoted text hidden]

## **VIII. Inventory & Fixed Assets**

### **A. Fixed Assets**

Fixed asset costs consist of all expenditures necessary to acquire and make the purchase ready for its intended use, including all items that are components. Purchase cost (before trade-in allowance), shipping/freight, testing, assembling, and installation costs are all considered part of the cost of an asset. All items that are components of the fixed asset shall be added together. All equipment and vehicle titles shall run through the Auditor's Office or Auditor's Office. All assets that exceed \$500 will be issued an inventory asset ID number, tagged (if possible).

#### **1) Non-Assets/Small Inventory:**

These assets will be tagged if the Auditor's Office deems necessary or at the using departments request.

#### **2) Classifications of the County fixed assets**

- a. LAND** - Any land purchased or donated to Burnet County will be placed on the fixed asset inventory at the price paid for the land at the time of purchase or the appraised value of any land which is donated or traded to the County.
- b. BUILDINGS** - County buildings will be placed on the fixed asset inventory at actual cost of the building if this actual cost is available. If actual cost is not available, the value of the building will be the appraised value plus or minus any necessary adjustments to determine the actual cost of the building at the time it was constructed or purchased by the County. If the building is donated or received in trade, it will be recorded at appraisal value. Major renovation or construction of additions to existing building will be recorded on fixed asset inventory at actual cost. Only those items that will improve the long-term value of the buildings will be considered as additions to the value of the buildings.
- c. IMPROVEMENTS OTHER THAN BUILDINGS** - Improvements may, or may not, be placed on fixed asset records. This determination will be made by the County Auditor. Items, which are deemed to be fixed assets, will be recorded at cost.

- d. **MACHINERY AND EQUIPMENT** - All machinery and equipment including any moveable piece of property purchased, donated, or built by
- e. County or acquired from surplus property agencies.
- f. **MOTOR VEHICLE EQUIPMENT** - Motor Vehicle Equipment is defined as that which is mobile.
- g. **DATA PROCESSING EQUIPMENT AND SOFTWARE** - Data processing equipment includes equipment used centrally in the IT department or in individual departments of the County. All computer-related products will be delivered to the Auditor's Office for tagging, and then forwarded to the I.T. Department for programming before being installed at the using department.
- h. **DONATED PROPERTY** - All assets received via donation or contribution, regardless of source, will be included in fixed assets. All departments receiving donated equipment or items must fill out and submit a donation form to the County Auditor. The County Auditor will then take the donation forms to Commissioners Court for their approval and acceptance of the donation. These approved items must be reported to the Auditor's Office immediately upon approval. For financial reporting these assets shall be recorded at fair market value on the date of receipt. Proper recording of these assets is essential as some contributed assets, such as those received from the Federal Government, must be tracked at several levels and improper disposition of these assets could have penalties or severe negative impact upon the County's ability to participate in a program.

## **B. Department Head Responsibility**

Each department head and/or elected official is responsible for all county property that they purchase or that is transferred to their department, as well as be responsible for informing the Auditor's Office of any assets leaving their area of responsibility.

The Elected Official or Department Head shall report item(s) lost immediately to the Auditor's Office or designated Auditor's Office employee. Any item(s) not located in a department will require a letter from the Elected Official or Department Head to the Commissioners' Court detailing

the circumstances surrounding the missing item(s) and detailing the search for the missing items(s). A copy of the letter and listing of the lost assets are presented to Commissioners' Court for approval to remove the assets from the inventory listing. Commissioners' Court must approve all replacement of lost item(s). Recovered item(s) are similarly reported to Commissioners' Court.

**AN ELECTED OFFICIAL OR DEPARTMENT HEAD DOES NOT HAVE THE AUTHORITY TO TRANSFER EQUIPMENT FROM ONE DEPARTMENT TO ANOTHER, DESTROY EQUIPMENT, THROW AWAY OR DISCARD EQUIPMENT, OR ALTER A FIXED ASSET IN ANY WAY.**

## **Finding**

Incomplete identification, tracking and capitalization of IT infrastructure assets

## **Condition**

The Auditor's office initiated the asset tagging process after the IT department did not provide asset tags or tracking information for newly purchased infrastructure items. During the tagging process, IT advised that certain equipment in shipping boxes could not be opened. IT also advised that certain hardware could not be tagged and would not allow the Auditor's office to physically verify or tag components within the assembled systems. In addition, the IT department did not provide sufficient documentation or reporting to identify and reconcile components serial numbers to complete systems. As a result, the Auditor's office was unable to independently verify the existence, composition, and assignment of certain infrastructure components, including the quantity and location of installed hardware within the servers.

Burnet County has expended \$443,448 on the IT infrastructure project so far in FY26. The Auditor's office has been able to tag assets totaling 184,175.59. The remaining 259,272.41 or 58.5% of this project's assets have not been identified, tagged or tracked.

It was also noted during the tagging process that items identified as located in the Sheriff's office was actual located at the South Annex building. These two assets totaled 5,180.

## **Criteria**

**There are three noted reasons for capital asset tagging and tracking.**

1. Burnet County Purchasing Policy, Section VIII – Inventory & Fixed Assets, states that fixed asset costs include all expenditures necessary to acquire and place an asset into service, including component parts, shipping,

testing, assembly, and installation costs. The policy further requires: assets exceeding \$500 to be inventoried and tagged where practical; capital assets to be tracked within the fixed asset system; data processing equipment to be routed through inventory procedures; and department heads and elected officials to maintain accountability for County property.

2. Governmental Accounting Standards Board (GASB) also require capital assets to be recorded at historical cost, including component costs.
3. Comprehensive asset identification and tagging also supports the County's ability to accurately identify, locate and substantiate insured property in the event of loss, theft, damage or insurance claims

### **Cause**

The condition appears to result from the absence of formalized procedures for:

1. identifying component purchases associated with larger infrastructure systems; aggregating component costs into completed operational assets; assigning assembled systems to fixed asset records;
2. documenting asset location and ownership responsibility;
3. and coordinating inventory tracking between the IT Department and Auditor's Office.

In addition, current practices appear to treat certain infrastructure components as standalone expendable items rather than as components of completed capital assets.

### **Effect / Risk**

Failure to properly identify, track, and capitalize IT infrastructure assets increases the risk of:

1. incomplete or inaccurate fixed asset records; inaccurate financial reporting.
2. understatement of capital assets; incomplete depreciation records.
3. inability to verify existence and location of County property; loss, theft, or misappropriation of assets.

4. noncompliance with County policy and governmental accounting standards.
5. Limits the County's ability to verify infrastructure inventory during audit procedures and lifecycle replacement planning.
6. Unable to properly list and insure assets located in each building.

### **Recommendation**

The IT Department, in coordination with the Auditor's Office, should:

1. Develop and implement formal procedures for identifying infrastructure components associated with completed operational systems.
2. Assign component purchases to completed capital assets where applicable.
3. Maintain sufficient documentation to identify completed systems, associated components, physical location, responsible department, and total system cost.
4. Ensure qualifying assets are tagged and recorded within the County's fixed asset system in accordance with County policy.
5. Reconcile previously purchased infrastructure components to completed systems and determine whether capitalization adjustments are necessary.
6. Establish periodic inventory verification procedures for IT infrastructure assets.
7. Consider engaging an independent third-party IT specialist to conduct a comprehensive assessment of the IT environment in order to establish a documented inventory of technology assets, evaluate storage capacity and infrastructure utilization, and provide overall assessment of current systems and future infrastructure needs.

### **Management Response**

Management response pending.



Kelley Glaeser &lt;kglaeser@burnetcountytexas.org&gt;

**Synology Inquiry Ticket: #901099 (Product)**

2 messages

**Synology Inquiry** <inquiries@synology.com>

Wed, May 27, 2026 at 8:27 AM

To: kglaeser@burnetcountytexas.org



Hello,

Your inquiry is well received. We'll get back to you shortly. Thanks for your patience.  
Below is a copy of your original message.

|                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Company Name</b> | Burnet County                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Full Name</b>    | Kelley Glaeser                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Job Title</b>    | County Auditor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Email</b>        | kglaeser@burnetcountytexas.org                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Location</b>     | United States                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>State</b>        | Texas                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Address</b>      | 78611 133 East Jackson                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Phone Number</b> | 5129485070                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Message</b>      | <p>Hi,</p> <p>Our organization recently purchased 6 Synology HD6500 4U 60-bay Rackmount NAS units. I requested an inventory report from the IT department showing the installed hard drives and memory (RAM) modules within each unit, not just the chassis serial number for each unit for asset tracking purposes. Our IT department has advised that this information can not be generated through DSM. However, based on information I have reviewed on your website, it appears this may be available through the Synology DSM interface. Could you please confirm whether DSM provides a report, export, or printable hardware inventory that includes Individual drive serial numbers,</p> |

installed RAM module serial numbers/identification details and association of these components to each specific HD6500 chassis? If this information is available, would you please advise where it can be accessed within the DSM or whether another Synology utility is required. Thank you in advance for your clarification

**URL**

<https://www.synology.com/en-us/form/inquiry/product>

**Special Notes**

- In order to avoid any miscommunication due to your email providers filtering rules, we recommend to add the synology.com domain to your email whitelist. Please refer to your email providers help manual for assistance with this.

Synology Inc. <http://www.synology.com>

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**Synology Inquiry** <inquiries@synology.com>

Thu, May 28, 2026 at 1:28 PM

To: "kglaeser@burnetcountytexas.org" <kglaeser@burnetcountytexas.org>

Hello Kelley,

Thank you for reaching out.

DSM shows the serial number of installed drives in Storage Manager --> HDD/SSD. For memory, DSM only reports the total installed RAM, not the serial numbers. You can view this under Control Panel --> Info Center --> General --> Hardware. RAM serial numbers are printed on the modules themselves, which requires powering down the unit and physically removing the memory. At this time, DSM doesn't provide a built-in export report that combines all hardware details. If you need a consolidated inventory, it would need to be compiled manually or through custom scripting using CLI tools.

Regards,

**Myke B.** | Product Specialist | *Synology America Corp*

[Video Tutorials](#) | [DSM Help & Knowledge Base](#) | [RAID Calculator](#) | [Blog](#)

**History Log**

Staff replied on 2026-05-28 18:27:13:

Hello Kelley,

Thank you for reaching out.

DSM shows the serial number of installed drives in Storage Manager --> HDD/SSD. For memory, DSM only reports the total installed RAM, not the serial numbers. You can view this under Control Panel --> Info Center --> General --> Hardware. RAM serial numbers are printed on the modules themselves, which requires powering down the unit and physically removing the memory. At this time, DSM doesn't provide a built-in export report that combines all hardware details. If you need a consolidated inventory, it would need to be compiled manually or through custom scripting using CLI tools.

Regards,

**Myke B.** | Product Specialist | *Synology America Corp*

[Video Tutorials](#) | [DSM Help & Knowledge Base](#) | [RAID Calculator](#) | [Blog](#)

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Customer replied on 2026-05-27 13:27:48:

# Synology®

Hello,

Your inquiry is well received. We'll get back to you shortly. Thanks for your patience.  
Below is a copy of your original message.

**Company Name** Burnet County

**Job Title** County Auditor

**State** Texas

**Address** 78611 133 East Jackson

**Message** Hi,

Our organization recently purchased 6 Synology HD6500 4U 60-bay Rackmount NAS units. I requested an inventory report from the IT department showing the installed hard drives and memory (RAM) modules within each unit, not just the chassis serial number for each unit for asset tracking purposes. Our IT department has advised that this information can not be generated through DSM. However, based on information I have reviewed on your website, it appears this may be available through the Synology DSM interface. Could you please confirm whether DSM provides a report, export, or printable hardware inventory that includes Individual drive serial numbers, installed RAM module serial numbers/identification details and association of these components to each specific HD6500 chassis? If this

information is available, would you please advise where it can be accessed within the DSM or whether another Synology utility is required. Thank you in advance for your clarification

**URL**

<https://www.synology.com/en-us/form/inquiry/product>

**Special Notes**

- In order to avoid any miscommunication due to your email providers filtering rules, we recommend to add the synology.com domain to your email whitelist. Please refer to your email providers help manual for assistance with this.

Synology Inc. <http://www.synology.com>

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