



## MANAGEMENT LETTER of AUDIT OBSERVATIONS

December 30, 2020

Eric Crespin, Fire Chief

An audit of the Fire & Emergency Services Department's FY20 fuel card usage was completed on December 23, 2020. The issuance of an official Audit Report is pending Management Responses. Internal audits can be carried out in all areas of County operations, with an audit focus upon improving operations by providing management with a reasonable assurance of whether or not internal controls exist and are effective, in their areas of operation. When internal control deficiencies are identified, they are brought to management's attention along with recommendations for improvement, within the Audit Report. This audit was brought about as a result of fuel card transactions noted during an audit of the Fleet Department. All noted discrepancies in the Audit Report were Low-level risks/findings, which indicate the lowest level of risk.

The internal audit process consists of a thorough review and understanding of applicable SOPs and policies governing operations and staff actions. Interviews with knowledgeable staff, as well as the testing/reviewing of documentation that support purported activities are conducted. This audit focused upon the periods of July 1, 2019 through June 30, 2020.

The following comments, which have been or will be discussed with you, are intended to improve the internal control structure for administration of the Fuel Card program within the Fire & Emergency Services Department. Comments are presented here and not within the official Audit Report, as these items are viewed as beyond the immediate scope of the audit. As with all Management Letters, an official response in writing is not required, however verbal feedback to

1

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the internal auditor is encouraged. A few auxiliary items that were revealed, of which the Fire & Emergency Services leadership may want to stay abreast and address, are below (*Management Input is italicized*).

*Fire Administration is working with members of the Fleet Department in order to address and install policies that will aid with minimizing potential for misuse of fuel both unleaded and diesel.*

- *Establish #1111 PIN Code for Skid Mount type fire pump units*
- *Establish #2222 PIN Code for Auxiliary fuel containers at each station.*
- *Revisit the cards currently in use at each station, and determine if cards need to be added or removed.*
- *Ensure that Volunteer Firefighter and Officers are NOT using the same card(s) for multiple units.*
- *Discuss and develop guidance for adding new units to Co. Fire Fleet.*
- *Discuss with Fleet the need for providing Fuel PINS after hours for volunteer staff that are unable to obtain their PIN during normal business hours.*

**1. Intradepartmental Asset Transfers -**

A Station Chief recalled to the internal auditor an incident wherein a fire engine was “borrowed” from his location without advanced notice, resulting in his arriving on the verge of contacting the authorities to report it as stolen. Additionally, the borrowed fire engine is reported to have been returned, lacking in inventory. The matter of intradepartmental asset transfers was also reported in the December 2019 Fire Administration Audit Report.

**Management’s Response:** *DACFES Fire Administration Staff has spoken with the Volunteer Battalion Chiefs about moving apparatus from one station to another in order to temporarily replace a unit that has been reported as out of service for repairs. In the future, that Station Chiefs will be BOTH called and emailed regarding the transfer and use of apparatus for response purposes. In the scenario above, the Volunteer Chief had not checked his phone (voicemail) in the several days leading up to the discovery of the “missing engine”. This was also addressed and it was recommended to make contact with another officer of the station, if the Station Chief is unavailable.*

While the current Fixed Assets policy does not require asset transfer forms for the movement of assets within the same department, the Audit notes the importance of an audit trail for items defined as fix-assets and sensitive items. A system of notification (prior notification when possible), tracking, and inventory control could greatly benefit the Fire & Emergency Services Department (as well as all departments). Such a system may entail temporary transfer documentation, pre and post inventory records, etc., as necessary, to allow for timely and consistent accountability of the intradepartmental transfer of assets.

**Management's Response:** *With the fire stations merging into a North and South fire district, the focus will now be to join the assets (fire apparatus) included into a single asset ledger for better tracking of equipment. The idea that apparatus is specifically tied to one station and cannot be used for emergency response throughout DAC is a thing of the past.*

2. **Fuel Card Pins -**

Fuel Card Pin utilization serves to identify the individual utilizing a fuel card. A Station Chief stated that many pins remain active, even after people leave the Fire Department. The Chief recalled one incident wherein a firefighter left County service, and upon returning several months later was able to utilize the same pin number s/he had prior to leaving.

According to Fleet, they will not know to deactivate a pin number unless they are notified that the Pin Holder has left County service. The Audit recommends a written means of communication between the Fire & Emergency Services Department and Fleet to inform Fleet in a timely manner that a Pin Holder has left County service, so that pin deactivation can occur. If accepted, this recommendation should be added to the applicable SOP.

**Management's Response:** *There are several action items in need of an accompanying SOG or SOP. This happens to be one of them. The Vol. Station Chiefs as well as the Vol. Battalion Chiefs are being directed to report the individual parting from the station/DAC. This would tie into removing access from the station. The procedure of notifying DAC Fleet and disabling the fuel PIN is another step in reducing the likelihood that someone is taking fuel without proper authorization and for personal gain.*

3. **Miscellaneous Concerns -**

• Unsecured Area

While visiting a Fire Station, the internal auditor noted and made the Station Chief aware that a back door, housing the hot water heater, was insecure. The Chief stated that he would secure the door.

**Management's Response:** *A work ticket was submitted and the locksmith made the repair to the door at this fire station. The other Vol. Station Chiefs were also reminded to periodically inspect all of the doors or access points at each of their respective fire stations.*

• Safety Hazzard

Upon visiting one Fire Station, the internal auditor noted a safety hazard on the premises. In addition to the overwhelming stench of sewage within the station, and the class one water leak from the spigot just outside of the station, an uncovered drainage hole (approximately 9-10 inches in diameter) existed on the property. The hole appeared to have a depth of approximately 18 inches, but it was in an area that was not well lit at night and an area that one may not pay much attention to during daylight hours.

However, it could easily cause an injury (twisted ankle, broken leg, etc.) if someone stepped in it. The internal auditor reported this to the Risk Manager and Safety Officer.

**NOTE:** This matter was promptly reported to the County Safety/Loss Control & Training Specialist. The Risk Manager was no longer available to review the matter. Per the Fire Administration, the uncovered drainage hole risk has been addressed.

**Management's Response:** *Grassmasters Inc. of Las Cruces has been hired to mitigate the problems noted above. The tank that was referred to is actually the station's "Oil & Sand Separator". A new riser and cover have been ordered and will soon be installed. The plumbing from the fire station apparatus bays out to the Oil & Sand Separator has been back flown to remove the dirt and unwanted deposits caused by the overfilling of the tank with dirt and debris.*

- **Stipend Program**

During the audit, it was reported that some stations over report on the number of hours worked by their volunteer firefighters (those manning the station) and/or number of incidents attended by volunteer firefighters. While the amount of money earned is miniscule, time fraud should not be tolerated within any County operation. In addition, if this is the belief then it could damage moral as such actions can be viewed by others as unfair.

Upon bringing this matter to the attention of the acting Fire Chief, he stated that he was already aware of the complaint and was working with the Assistant County Manager of Operations to address the matter.

**Management's Response:** *Fire Administration fully understands the Stipend Program has flaws regarding some of the items mentioned above. Fire Chief and the Fire Administration staff have already made changes to the Stipend program, in order to remove the ability to enter data or information that is not in line with the reporting systems checks and balances.*

- **Incomplete Reports**

During the audit, it was reported that the Fire & Emergency Services Department is out of compliance when writing and electronically submitting incident reports, as one part of the report remains blank due to a consistent error message received by the reporter. A discussion with Fire Administration leadership revealed that while such a matter could adversely affect grant applications, it would not affect ISO ratings.

**NOTE:** The issue above was addressed and corrected in the Internal Auditor's Report on

Volunteer Firefighter/EMT Participation (dated February 12, 2021).

- COVID-19 Protocol

During the audit, it was reported that some firefighters do not respond to COVID-related calls; OR when responding they don't send the appropriate personnel/equipment to answer such calls. This complaint pertained to paid staff, who may stay in the vehicle and refuse to assist the volunteer if the illness is believed to be COVID-related. The internal auditor discussed with Fire Administration leadership, the accusation about the lack of care reportedly provided by full-time staff for COVID-19 cases, versus that provided by volunteers.

**NOTE:** This matter was passed on to both Assistant County Managers and the Legal Department Leadership (in absence of a Risk Manager).

**Management's Response:** *Fire Administration has visited this subject several times and has made several changes to the policy regarding Emergency Response to "known and unknown" COVID-19 situations. Fire Administration has continuously reminded the volunteer responders to report low inventory of PPE, in order to restock or replenish items needed. As always PPE is available at Fire Administration for those stations that request it.*

**NOTE:** Italicized data above denote representations made by Fire Department Leadership.

Thank you for the attention given to the items cited above.

  
Ernest Harvin, CIA