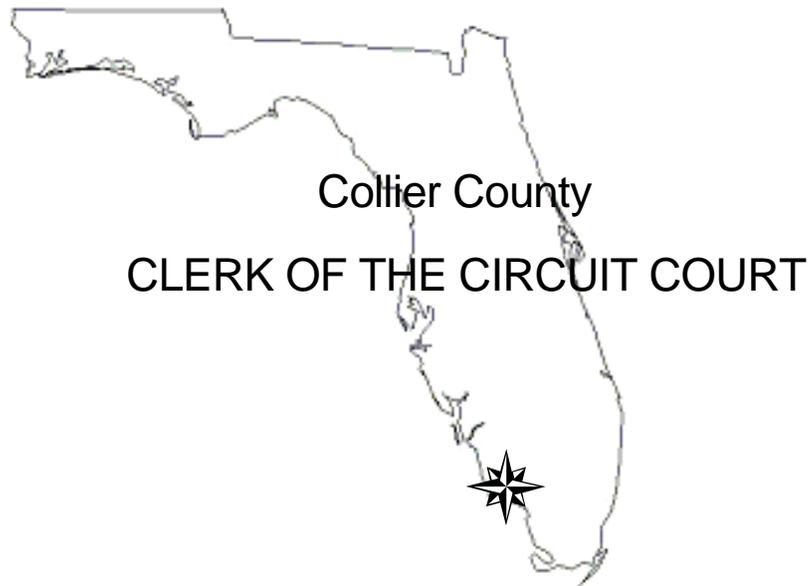


Audit Report 2004 –3

Emergency Management



County of Collier
CLERK OF THE CIRCUIT COURT

COLLIER COUNTY COURTHOUSE
3301 TAMIAMI TRAIL EAST
P.O. BOX 413044
NAPLES, FLORIDA 34101-3044

Dwight E. Brock
Clerk of Courts

Clerk of Courts
Accountant
Auditor
Custodian of County Funds

April 2, 2004

The Honorable Donna Fiala, Chairman
And Members of the Board of County Commissioners
3301 Tamiami Trail East
Naples, Florida 34112

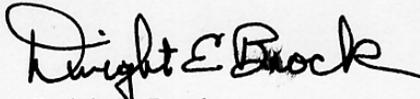
Re: Emergency Management Audit
(Report No. 2004-3)

Chairman:

The enclosed report discusses the findings and recommendations of the above captioned audit performed by the Internal Audit Department. We thank the Emergency Management Department personnel for their cooperation in the performance of this audit.

If you have any questions about this report, please feel free to contact Pat Blaney or Michael Ianuale at 774-8075.

Sincerely,



Dwight E. Brock
Clerk of the Circuit Court

Enclosure

cc: James V. Mudd, County Manager

Phone- (239) 732-2646
Website- www.clerk.collier.fl.us

Fax- (239) 775-2755
Email- collierclerk@clerk.collier.fl.us

Memo

To: The Honorable Dwight E. Brock, Clerk
From: Patrick Blaney, CFE, CPA *PB*
Date: April 2, 2004
Re: Emergency Management Audit

Please find attached our audit report of Emergency Management. This report includes the responses of the Emergency Management Department to our findings & recommendations.

Internal Audit gratefully acknowledges the cooperation and assistance of Emergency Management, Finance, and other Board of County Commissioners employees.

If you have any questions about this report, kindly contact me at 774- 8075.

Collier County Clerk of the Circuit Court
Internal Audit Department

Phone (239) 774 8092
Fax (239) 775 5861
2671 Airport Road S.,
Suite 102
Naples, FL 34112

Audit Report 2004 –3

Emergency Management

Audit Report 2004 –3

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Emergency Management

Background Information

Audit Purpose, Objectives, & Scope

We have conducted an audit of the Emergency Management Department in accordance with the Clerk's four year audit plan. The primary role of the Department is the management and implementation of a comprehensive disaster mitigation, preparedness, response, and recovery program in Collier County under the provisions of Chapter 252, Florida Statutes. We tested compliance by examining the Department's records for the fiscal year 2003. In particular, we examined the Department's revenues, expenditures, contracts, and grants for compliance with applicable policies and procedures, laws and grant requirements.

Audit Methodology & Procedures

We interviewed the Emergency Management Director and personnel. We reviewed statutes, policies and procedures, and the Collier County Comprehensive Emergency Management Plan (CEMP). We examined the records of their revenues and expenditures and tested for compliance. We verified each Grant's compliance with specific terms and conditions. Although the audit period was fiscal year 2003, our review of the Hazardous Material Analysis Grant included transactions from fiscal year 2002.

Our review of the Collier County Emergency Management Plan (CEMP) addressed the four phases of emergency management: Mitigation, Preparedness, Response and Recovery. To assess these four phases, we read and examined procedures used, reviewed funding levels, and evaluated staff activities.

Background

"Emergency Management" means the preparation for, the mitigation of, the response to, and the recovery from emergencies and disasters. Chapter 252, F. S., requires that local jurisdictions prepare local disaster and emergency plans that identify responsibilities, chain of command, evacuation procedures, and access control to and from an emergency or disaster area. County officials are responsible for initial response to emergencies and disasters through police, fire, medical, and other emergency services agencies within the county's boundaries. County disaster and emergency services agencies are responsible for the coordination necessary to provide sufficient resources to minimize the effect of a disaster or emergency.

The Emergency Management Department's primary tasks are the management and implementation of a comprehensive disaster mitigation, preparedness, response, and recovery program in Collier County,

and to continually review, assess, update, and test the County's disaster preparedness plans, with the ultimate goal being the protection of our citizens' and visitors' lives and property. The State Division of Emergency Management (DEM) reviews and approves the County's Comprehensive Emergency Management Plan (CEMP).

Emergency Management is responsible for development and maintenance of emergency plans for all man-made and natural disasters, including the purchase of preparedness supplies and establishing mitigation measures for public facilities. The Department receives an Emergency Management Preparedness Enhancement Grant from the State of Florida each year in order to carry out this task. Local grants such as the most recent Hazardous Material Grant are also used to inspect local businesses identified as having extremely hazardous materials on site, and provides funding for hazardous materials planning, radiological preparedness, and emergency planning.

Emergency Management has designed the Collier County CEMP to address eight major and sixteen additional threats to which the county's population might be subject. This Plan outlines emergency situations and responsibilities, identifies agencies with specific tasks, and outlines Standard Operating Guides (SOG's) to accomplish their tasks. Emergency Management staff reviews and updates the CEMP each year. Every four years the DEM reviews the CEMP. The review is based on criteria specified in Chapter 9G-6, Florida Administrative Code.

Emergency Management

Findings

Per Diem paid on travel expense reports for Class C travel

To determine if control, support, and accounting of expenditures are adequate, and whether Emergency Management is in compliance with departmental management procedures, we reviewed a randomly selected sample of expenditures from each fund. A sample of 25 items was selected from the General Fund (001) and 37 items were selected from the Emergency Management Fund (118).

Paragraph 112.061 (6)(d), Florida Statutes, reads, *“For the 2002-2003 fiscal year only (expiring July 1, 2003) and notwithstanding the other provisions of this subsection, for Class C travel, a state traveler shall not be reimbursed on a per diem basis nor shall a traveler receive subsistence allowance.”* In 8 out of 15 travel expense reports tested, “Per Diem” totaling \$84.00 was paid for meals during “Class C” travel, which is travel for short or day trips where the traveler is not away from the headquarters overnight. In addition, one expense report did not document lodging totaling \$87.50. We also noticed that some expense reports contained inconsistent mileage to same or similar locations.

Recommendations

Emergency Management should adhere to section 112.061, Florida Statutes, regarding Class C travel per diem & subsistence.

Emergency Management must properly document travel related expenses incurred and reimbursed to employees.

Emergency Management should report mileage consistently for travel to common sites.

Emergency Management’s Response

In general, I agree with your recommendations, and will take steps to review these corrective action items with my staff in the immediate future.

Needed: Current Fixed Assets schedule and annual inventory

Internal Audit sampled 13 fixed assets from the latest available inventory schedule, dated September 2002, to determine if there are adequate controls, support and management of Emergency Management assets, and to evaluate compliance with applicable laws and regulations. Property acquired after 1996 along with all property listed as active by Fleet Management on its intranet site comprise the 13 items. Our tests revealed the following:

- 1) Emergency Management has not inventoried fixed assets since September 2002. Rules of the Auditor General, Chapter 10.400, Local Government-owned Tangible Personal Property, require that a complete physical inventory is taken annually.
- 2) Every year the Finance Department supplies each department a printout of their fixed assets in which to provide the additions, deletions and any updates. In fiscal year 2003 Emergency Management did not receive a fixed assets printout from Finance. The latest Fixed Asset schedule provided for our review is from the Fiscal Year End 2002. Finance cannot provide updated data for the Department's review and revision until the Fiscal Year End Closing is finalized, the external audit is complete and problems with SAP are worked out. No supporting documentation or records are available for our review.
- 3) The Emergency Management office held many assets that were not listed on the 2002 inventory schedule. Many of these unrecorded assets acquired by Emergency Management are old expired assets, as per Emergency Management, transferred from various other departments, that were going to be disposed of and had no salvage value. Many have property tags from when they were listed with the original acquiring department while some property tags were missing from these assets. Assets transferred, donated or salvaged from other departments require documentation by Finance and the determination of whether or not the items meet the definition of personal property is established solely by the Finance Department.
- 4) Two of the three asset dispositions, a computer and a portable phone (asset #'s 20001317 & 2575), were not listed on the 2002 inventory schedule as they should have been. This raises the questions when did Emergency Management acquire these assets, and why were they not on the inventory schedule. Apparently these two items ended up in the department without properly being transferred. Since documentation is required at disposal, it has now become apparent that these two items were not originally assets of the department.

Recommendations

- 1) Emergency Management should inventory fixed assets annually in accordance with the Rules of the Auditor General.
- 2) Emergency Management should maintain records of property in accordance with the Rules of the Auditor General especially when transferring assets in or out of the department.
- 3) As stated above, in accordance with the Rules of the Auditor General, records of transferred property should be maintained and easily verifiable so that value at acquisition can be readily determined.
- 4) Proper procedure must be followed when acquiring property from other departments. Full documentation is required as well as submission of the documentation to Finance.

Emergency Management's Response

I would request that we agree to denote that some of the information we needed for fixed asset accountability was not available until the week of March 18th due to computer system problems. Reportedly, that fixed asset inventory listing is now available, and we will begin our review of that inventory in the weeks to come. Also, we would like to note that in many of the items transferred to Emergency Management with a fixed asset tag, it is the responsibility of the releasing agency to complete an asset transfer form. We will make sure our office verifies that the appropriate transfer information has been completed when appropriate.

Section
3

Emergency Management Conclusion

Shelter and supplies lack necessary funds

Review of the Comprehensive Emergency Management Plan (CEMP):

The Collier County Comprehensive Emergency Management Plan (CEMP) review by the Department of Emergency Management (DEM) took place December 2, 2003. Internal Audit was present during the teleconference. The general consensus of the Plan by the DEM was very favorable, and the Collier County CEMP was in accordance with Chapter 252, F. S., without any exceptions or compliance issues noted by the DEM.

In the Southwest Florida area, hurricanes and floods rate as the two most prominent threats of major disaster, and play an important role in Collier County's Comprehensive Emergency Management Plan. A responsibility of Emergency Management is to secure adequate shelter spaces. A 2001 Hurricane Evacuation Study for Collier County determined that approximately 95,804 residents would be directed to evacuate for a Category 1 hurricane, and essentially all 296,608 residents would be affected and need to be evacuated for a Category 5 hurricane.

There are currently only 9 facilities, all schools, suitable and available for emergency shelter in Collier County. These facilities can currently house approximately 31,000 residents. Two new schools are planned, each will be able to house approximately 3,600 additional residents.

Presently, in the event of any scale flood or hurricane, the current inadequate shelter capacity plans for people in the affected area to seek shelter in available hotels / motels in the Orlando area. According to the Director of Emergency Management, there are no supplies kept on hand in Collier County. All supplies are kept outside of the county and would be immediately shipped to the affected areas by FEMA and the Red Cross.

Overview of the Emergency Management Department financial records:

The primary grant source for Collier County is through state funding. Federal funding for Mitigation and training is limited. Each grant has specific requirements that must be adhered to or funding could be lost. Compliance with terms and conditions of all grants from receiving funding was verified.

Internal Audit has disclosed certain policies, procedures and practices that can be improved. Except as noted in this report, Internal Audit concludes that the Division's accounting and administrative control over contracts and grants are adequate and in compliance with departmental management procedures, financial transactions are reported accurately and the Counties assets are adequately protected. We wish to thank the management and staff of the Emergency Management Department for their cooperation in this audit.

Section

4

Emergency Management

Emergency Management's Response

March 29, 2004

Collier County Clerk of the Circuit Court
Court Plaza III Suite #102
2671 Airport Road South
Naples, Florida 34112

RE: Emergency Management Audit Report 2004/3 – Draft

Gentlemen:

I want to thank you for a very informative meeting on March 18th regarding the audit report mentioned above. I have learned a great deal about the fiscal processes required by the Clerk to the Court since assuming the responsibilities of this position in June of 2003.

I appreciate the time you spent with me to review some of the case examples and where we need to make improvements.

I have completed a review of the recommendations that you submitted in your report. I can assure you that I take these concerns seriously, and will work hard to make changes and educate staff on the procedures and requirements that need to be carefully followed.

In general, I agree with your recommendations, and will take steps to review these corrective action items with my staff in the immediate future. I would request that we agree to denote that some of the information we needed for fixed asset accountability was not available until the week of March 18th due to computer system problems. Reportedly, that fixed asset inventory listing is now available, and we will begin our review of that inventory in the weeks to come. Also, we would like to note that in many of the items transferred to Emergency Management with a fixed asset tag, it is the responsibility of the releasing agency to complete an asset transfer form. We will make sure our office verifies that the appropriate transfer information has been completed when appropriate.

In closing, you have seen the hard work by our staff and the number of grants administered by our office. We will continue to work hard to help make Collier County as disaster resistant as possible.

Thank you for your time and effort. If you have any questions or concerns, please don't hesitate to give me a call.

Sincerely,

/s/ Dan E. Summers, CEM