



**A Report to the Galveston  
City Council**

**Mayor**  
Lewis Rosen

**Council Members**  
Cornelia Banks  
Rusty Legg  
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Terrilyn Tarlton  
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**Office of the City Auditor**

**City Auditor**  
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Audit Report

## Fire Marshall's Supporting Documentation Audit Report

March 15, 2013



### Report Summary

The City Auditor's office recommends that all City of Galveston Fire Department Permits be pre numbered and stored in a secure location. The City Auditor's office recommends that the City of Galveston create written policies and procedures pertaining to reimbursement for the city concerning the Fire Marshall's use of City of Galveston vehicles. The City Auditor has turn this report over to management.

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The purpose of this report is to allow the Mayor and City Council of the City of Galveston an opportunity to evaluate the supporting documentation maintained by the City of Galveston's Fire Marshall Office in connection with income earned and services performed while not on City of Galveston time. The specific supporting documentation reviewed for purposes of this audit relate to:

- Hazardous Materials Escorts.
- Fire Watch Detail.
- Fire Marshall Usage of City of Galveston Vehicles.

**Scope**

The scope of my procedures included interviews and inspection of file documents. Interviews were conducted with:

- City of Galveston Fire Chief Jeff Smith.
- City of Galveston Fire Marshall Gilbert Robinson.

File documents were obtained from:

- City of Galveston Fire Department (Fire Watch File).

My fieldwork was conducted from July 25, 2012 through March 15, 2013.

**Fieldwork Performed**

The City Auditor performed three separate tests. These tests were:

1. The City Auditor obtained a list from the Port of Galveston documenting all hazardous materials escorts that the City of Galveston Fire Marshall's Office was required to participate in from the time period January 1, 2012 through August 29, 2012. The City Auditor then compared this list from the Port of Galveston to the City of Galveston's General Ledger for the same time period to determine if all receipts were received in connection with hazardous materials escorts.
2. The City Auditor obtained a report from the City of Galveston's Planning Department detailing fire watch detail from the time period January 1, 2012 through August 31, 2012. The City of Galveston Fire Marshall's Office is required to perform fire watch detail. The City Auditor then compared this fire watch detail report from the Planning Department to the Fire Prevention Permits Application located in the Fire Marshall's Office for

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the same time period. The City Auditor also compared the fire watch detail report from the Planning Department to the City of Galveston's General Ledger for the same time period to determine if all receipts were received in connection with fire watch detail.

3. The City Auditor reviewed the City of Galveston's policies and procedures for reimbursements due from the Fire Marshall. More specifically, reimbursements from the Fire Marshall for the use of city vehicles in connection with income earned and services performed while not on City of Galveston time.

**Summary of Results**

1. The comparison between the Port of Galveston's hazardous materials escorts list and the City of Galveston's General Ledger revealed that the City of Galveston had not collected two out of a possible sixteen fees for hazardous materials escorts. These two uncollected fees amount to three hundred dollars for the City of Galveston.
2. The comparison between the fire watch detail report from the City of Galveston's Planning Department and the Fire Prevention Permits Applications and the City of Galveston's General Ledger revealed that the City of Galveston had not collected two out of a possible twenty five fees for fire watch detail. These two uncollected fees amount to one hundred dollars for the City of Galveston.
3. The City Auditor was unable to locate any written City of Galveston policies or procedures pertaining to reimbursement from the Fire Marshall for the use of city vehicles in connection with income earned and services performed while not on City of Galveston time.

**City Auditor's Recommendations**

1. The City Auditor recommends that all City of Galveston Fire Department Permits be pre numbered and stored in a secure location. A responsible employee within the Fire Department should be held accountable for assigning pre numbered fire permits in all required instances. This responsible employee should also be held accountable for reconciling the used and unused pre numbered fire permits on a regular basis.

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2. The City Auditor recommends that the City of Galveston create written policies and procedures pertaining to reimbursement for the City concerning the Fire Marshall's use of City of Galveston vehicles in connection with income earned and services performed while not on City of Galveston time. One method that could be used is for a responsible employee of the Fire Department to document vehicle mileage for non-city usage. A percentage could then be calculated based upon non-city mileage and total vehicle mileage. The City of Galveston could then be reimbursed for non-city use of its vehicles based upon this percentage. The City Auditor has determined that the average annual cost of a Fire Marshall vehicle to the City of Galveston is approximately six thousand dollars including depreciation.

**City Managers Response**

Management would first like to thank the City Auditor's office for their work on this audit. It was handled in a professional manner and the findings are just and accurate.

Management will work with the Fire Marshall to create procedures that will ensure that all fees due and payable will be billed and collected accordingly. Management also believes that the percentage in this sampling of missed billings was small and borders on immateriality, however we will address as recommended.

Management will begin working on the vehicle issue brought forth in this audit. It is Management's belief that escorts services should be done in official vehicles. Management will work with the Fire Chief and Fire Marshall's offices to create a written policy that allows such use while functioning in official capacities.