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Missouri State Auditor

FOLLOW-UP REPORT ON AUDIT FINDINGS

Smithville Area Fire Protection District

Report No. 2019-086

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Smithville Area Fire Protection District

Follow-Up Report on Audit Findings

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NICOLE GALLOWAY, CPA Missouri State Auditor

Board of Directors
Smithville Area Fire Protection District

We have conducted follow-up work on certain audit report findings contained in Report No. 2018-099, *Smithville Area Fire Protection District* (rated as Poor), issued in September 2018, pursuant to the Auditor's Follow-Up Team to Effect Recommendations (AFTER) program. The objectives of the AFTER program are to:

1. Identify audit report findings for which follow up is considered necessary, and inform the district about the follow-up review on those findings.
2. Identify and provide status information for each recommendation reviewed. The status of each recommendation reviewed will be one of the following:
 - Implemented: Auditee fully implemented the recommendation, either as described in the report or in a manner that resolved the underlying issue.
 - In Progress: Auditee has specific plans to begin, or has begun, to implement and intends to fully implement the recommendation.
 - Partially Implemented: Auditee implemented the recommendation in part, but is not making efforts to fully implement it.
 - Not Implemented: Auditee has not implemented the recommendation and has no specific plans to implement the recommendation.

As part of the AFTER work conducted, we reviewed documentation provided by district officials and held discussions with district officials to verify the status of implementation for the recommendations. Documentation provided by the district included minutes of meetings, financial records, and other pertinent documents. This report is a summary of the results of this follow-up work, which was substantially completed during June 2019.

A handwritten signature in black ink that reads "Nicole R. Galloway".

Nicole R. Galloway, CPA
State Auditor

Smithville Area Fire Protection District

Follow-Up Report on Audit Findings

Status of Findings

1. Incentive Payments

The Smithville Area Fire Protection District paid \$209,072 in year-end incentive payments (including fringe benefits), to all full-time employees (including the Fire Chief and Assistant Fire Chief) between December 2011 and December 2015.

While these payments were authorized by the Board of Directors, the actual payments exceeded initial estimates presented to the Board for approval by \$32,500 (before taxes). The Board did not review and approve individual incentive payments and there was no documentation indicating the Board was informed the actual incentive payments significantly exceeded the initial estimates provided. In addition, we found the incentive payments made were based on inaccurate or unreasonable calculations, which inflated the total amount paid by \$86,360.

These payments were likely bonuses and in violation of the Missouri Constitution, because they were not part of a formal pay plan and seemed to represent additional payments for services previously rendered because there was no documentation of additional hours worked by the employees to support the payments.

Recommendation

The Board of Directors should ensure all employee compensation is authorized by the Board, documented in a formal pay plan as appropriate, and in compliance with state law.

Status

Implemented

The district has not paid incentive payments to employees since December 2015 and has no plans to do so in the future.

2. Fire Station #3

The Board constructed Station #3 at a cost of approximately \$1.8 million without ensuring the district had sufficient funding available to staff the station and cover ongoing and future operational and maintenance costs associated with it. Additionally, the district did not retain any documents related to preplanning and development of the station.

Station #3 was placed into operation in May 2017 with minimal equipment and no staff. All emergencies were responded to from Station #2. While district officials indicated they would not be able to staff Station #3 without a tax increase, they had not completed a cost analysis to support this statement.

Recommendation

The Board of Directors should determine additional funding necessary to pay for expenses associated with ongoing and future operations and maintenance costs, including staffing, for Station #3. In addition, the Board should evaluate options to fund these additional costs.



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Status

Not Implemented

As of July 2019 Station #3 remains unstaffed, and all emergencies are still responded to from Station #2.

The Fire Chief provided a calculation estimating the total annual cost to fully staff and operate Station #3. The calculation indicates voters would need to approve a tax levy increase of .6002 (more than twice the current tax levy of .2906). The Fire Chief indicated the Board currently anticipates asking voters for an increase in the property tax levy of .3200 or .3500 in November 2020. The exact amount of the increase to be requested has not been determined and will depend on what increase the Board expects voters to approve. The Fire Chief indicated the district anticipates the remainder of the funding for Station #3 will be provided by increases in sales tax revenues and increases in property taxes as a result of economic growth in the Smithville area. The district has not, however, obtained a study to determine if economic growth in the area, along with a property tax levy increase, will be sufficient to provide the additional funding necessary to staff and operate station #3.

A review of open and closed board meeting minutes for the period October 23, 2018, through April 23, 2019, showed the Board briefly addressed the current status of Station #3 at the December 18, 2018, meeting. The minutes did not include documentation of discussions concerning future funding or staffing plans, or evidence the Board had addressed funding options and other considerations provided to us by the Fire Chief.

3. Firefighter Safety and Training

The district had not established adequate policies and procedures for firefighter safety and health, training, and respiratory protection.

3.1 Safety and training programs

The district had not established a written occupational safety and health program or a written training, education, and professional development program.

Recommendation

The Board of Directors seek assistance from available resources, including the state Fire Marshal's Office in the Missouri Division of Fire Safety and the University of Missouri Fire and Rescue Training Institute, and develop a written occupational safety and health program and a written training program for district firefighters.

Status

In Progress

The district obtained a draft policy manual through a vendor subscription service in November 2018. This vendor provides state-specific policies for public safety agencies. District personnel are currently customizing the various draft policies for district needs and plan to have many of the policies in the manual adopted by September 24, 2019, including the following policies on safety and training:



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- The Personal Protective Equipment policy states the district will provide and maintain at no cost to the member, personal protective equipment (PPE) including head, face and eye, body, hand, and foot protection that meets the standards approved by the National Fire Protection Association. The district's members are expected to wear the PPE any time there is a risk of exposure to a hazard.
- The Vehicle Seat Belts policy requires all members wear seat belts while operating or riding in district vehicles or privately owned vehicles while conducting district business.
- The High-Visibility Safety Vests policy requires members to wear class II high-visibility safety vests in addition to PPE whenever the emergency scene is located on or near a roadway.
- The Training Records policy includes a section on maintaining an annual master training calendar to document district-provided, regularly scheduled training.
- The Training policy provides for professional growth and continued development of district members. The policy requires the training officer to develop a training plan to be updated annually based on an annual assessment of training needed by district members.

3.2 Respiratory protection

The district had not implemented a written respiratory protection program and had not performed testing on its respirators as recommended by the manufacturer.

Recommendation

The Board of Directors establish a written respiratory protection program and ensure self-contained breathing apparatuses are tested in accordance with the manufacturer's recommendations.

Status

In Progress

The district's draft policy manual includes a Respiratory Protection Program policy. This new policy describes the types of respirators and when each type should be used. The policy also contains procedures for performance and fit testing, and requires performance and fit testing to be performed annually. The district plans to finalize and adopt this policy by September 24, 2019.

District personnel had performance tests performed in April 2018 and fit tests performed in April 2018 and January 2019. Because new respirators were placed into service in March 2019, performance testing did not occur that year. Performance and fit testing on these respirators is not required until March 2020.



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4. Procurement Procedures and Contracts Controls and procedures over procurement and district contracts needed improvement.

4.1 Professional services and contracts The district had not established policies and procedures for the selection of vendors providing professional services. In addition, the district did not solicit requests for proposals for various professional services, had not periodically conducted a competitive selection process for various professional services, and did not always enter into written contracts with the providers selected. Examples of significant professional services for which requests for proposals were not solicited included litigation services, information systems and information technology services, auditing services, and legal services.

Recommendation The Board of Directors periodically solicit proposals for professional services and enter into written contracts for those services. In addition, the Board should establish a policy to address the selection of professional services.

Status **Implemented**

The Board solicited proposals for legal services in October 2018 and solicited proposals for auditing services and a new information technology provider in January 2019. The Board entered into written contracts for these services. In addition, as part of the draft policy manual, the district customized and adopted a new policy, Purchasing/Credit Card Use, in January 2019. This policy requires requests for proposals for professional services be advertised at least every 3 years.

4.2 Bidding The district did not have a formal bidding policy and bids were not solicited for some purchases made during the year ended December 31, 2016. In addition, district personnel could not provide any documentation showing the district published a notice for some bids, as required by state law.

Recommendation The Board of Directors establish formal bidding policies and procedures, including documentation requirements related to bid specifications, the bids or quotes received, and justification for bids selected and maintain documentation of decisions made.

Status **Implemented**

The district made a significant purchase of new respirators in October 2018 that required competitive bidding. We reviewed the bid documentation and noted the district published notice for bids and selected the lowest of the 2 bids received for \$190,207. In addition, the district's Purchasing/Credit Card Use policy, adopted in January 2019, outlines bidding procedures and documentation requirements.



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5. Accounting Controls and Procedures

Weaknesses existed with the district's accounting controls and procedures.

5.1 Segregation of duties and oversight

The Board had not established adequate segregation of duties and review processes over the various financial accounting functions performed by the Fire Chief and Administrative Assistant.

The Administrative Assistant was responsible for all accounting duties and the Fire Chief typically documented his review and approval of authorized disbursements, but did not perform a documented review of other accounting functions and records. A Board member signed all checks; however, a documented review and approval of individual invoices and other supporting documentation was not performed. In addition, the list of disbursements approved by the Board each month did not include payroll disbursements.

Recommendation

The Board of Directors segregate accounting duties to the extent possible and implement appropriate review and monitoring procedures. In addition, the Board should ensure complete lists of disbursements are prepared and compared to invoices and other supporting documentation.

Status

Partially Implemented

The Board has not further segregated accounting functions, but has implemented some additional oversight procedures. The Board President indicated a Board member reviews and documents approval of individual invoices prior to signing checks. We reviewed a travel expense voucher from August 2018 and credit card statements from September 2018 and March 2019 and noted a Board member signed the voucher and credit card statements to document approval. Board members do not ensure all receipts for credit card purchases are included with the credit card statements, and rely on the Administrative Assistant to perform a reconciliation of receipts to the credit card statement. However, as indicated in section 6.2, the March 2019 credit card statement had several missing receipts.

The Board also reviews a financial report each month that includes the bank statements and bank reconciliations and a list of disbursements. The Fire Chief indicated he also reviews the bank reconciliations, but we noted his review is not documented. We also noted the list of disbursements reviewed by the Board does not include payroll disbursements. The Board President indicated payroll is monitored by the Board's review of the budget to actual report each month.

5.2 Bank reconciliations

The district did not have procedures to follow up on and resolve differences between accounting records and bank reconciliations timely. In December 2015, the district received \$3,204,132 in bond proceeds. The deposit was recorded in the accounting system twice in error. The error was not corrected until November 2017.



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Recommendation

The Board of Directors ensure any differences between accounting records and reconciliations are investigated and resolved timely.

Status

Implemented

The Fire Chief indicated he and the Board review the bank reconciliations. However, the Fire Chief's review is not documented. The Fire Chief also indicated reviews performed identified no differences between the accounting records and reconciliations during 2019. We reviewed the April 2019 bank reconciliations for the district's bank accounts, and identified no unresolved differences between accounting records and the bank reconciliations.

5.3 Receipting and depositing

Significant weaknesses existed in the district's procedures for receipting monies and making deposits.

- Receipt slips were not issued for some monies received and the method of payment was not always recorded on receipt slips.
- Deposits were not made timely or intact, the numerical sequence of receipt slips was not accounted for, and receipts were not kept in a secure location until deposited.
- Checks and money orders received were not restrictively endorsed at the time of receipt and were only endorsed when deposits are prepared.

Recommendation

The Board of Directors ensure receipt slips are issued for all monies received with the method of payment indicated on the receipt slip, and the composition of deposits is reconciled to the composition recorded on receipt slips. The district should also ensure receipts are maintained in a secure location until deposited, checks and money orders are restrictively endorsed immediately upon receipt, and deposits are made timely and intact.

Status

Partially Implemented

The Fire Chief indicated the district no longer issues manual receipt slips or accepts cash payments. He indicated district personnel will issue receipt slips from the accounting system; however, these receipts will not be numbered because the accounting system does not have this capability. The district had no checks on hand during our review; however, the Fire Chief indicated checks are endorsed immediately upon receipt and kept in a locked room until deposited. There were no receipt slips or other documentation such as copies of the checks received to demonstrate that the composition of receipts agreed to the composition of deposits or that receipts were deposited timely and intact.



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6. Disbursements Controls and procedures over district travel and training expenditures, credit card purchases, and payment for local meals needed improvement.

6.1 Travel and training expenditures The district incurred unnecessary travel and training costs due to the former Fire Chief traveling to the location of but not attending a conference. In addition, the district paid excessive travel advances for meals and incidental expenses to district employees.

The Fire Chief indicated the district prepaid for meals and incidental expenses at the federal Continental United States (CONUS) per diem rate when employees traveled. However, our review noted rates for the first and last day of travel were not reduced in accordance with the CONUS schedule, the daily amount advanced was more than CONUS rates authorized, and the number of days advanced appeared wasteful or unnecessary.

Recommendation The Board of Directors reimburse documented travel expenses rather than providing travel advances, require employees to submit documentation of training attendance, and obtain reimbursement for all costs associated with the training not attended or completed.

Status **Partially Implemented**

The district's draft policy manual does not include a travel policy. The Fire Chief indicated the district plans to develop a written travel policy by October 2019. In addition, the district now reimburses only documented travel expenses, no longer provides travel advances, and requires employees to submit documentation of training attendance. The Fire Chief indicated the district has not requested reimbursement for the costs associated with the training not attended. The Board President indicated the district has a new attorney and this matter will be discussed with him before making a final decision.

6.2 Credit cards The district did not maintain adequate documentation to support some disbursements made using district credit cards and review procedures for credit card purchases needed improvement.

Our review identified transactions where adequate documentation was not retained. For these transactions, either the receipt slip retained was illegible, or information documenting how the purchase related to the operation of the district was not included. In addition, we noted transactions that did not have any receipt submitted to support the purchase.

Neither the Board nor someone independent of the disbursement process reviewed and documented approval of individual transactions charged to the district credit card or ensured supporting documentation for all credit card transactions was reconciled to the credit card statement.



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Recommendation

The Board of Directors establish controls and procedures for the review and approval of all credit card purchases and ensure all purchases are supported by appropriate documentation and are reconciled to billing statements.

Status

Partially Implemented

The district's Purchasing/Credit Card Use policy, adopted in January 2019, provides guidelines for credit card purchases. It requires a receipt for all credit card purchases and states the receipts shall be presented to the Board member signing the district checks for review before the bill is paid. However, the Board President indicated Board members currently do not ensure all receipts for credit card purchases are present; rather they rely on the Administrative Assistant to perform a reconciliation of receipts to the credit card statement.

We reviewed the March 2019 credit card statement and supporting documentation and noted that it was initialed by a Board member to document his review and approval; however, receipts and other supporting documentation were not attached for 10 of 14 purchases. The Fire Chief located the missing documentation at our request.

6.3 Local meals

The Board had not established a policy for providing employee meals while not on travel status. Our review of all credit card transactions noted the former Fire Chief and the Deputy Fire Chief made numerous food and drink purchases at local restaurants, most of which were not supported by information demonstrating how the purchase related to the operation of the district or detailing the persons in attendance. It could not be determined why the purchases were necessary.

Recommendation

The Board of Directors develop a comprehensive policy regarding food purchases and ensure purchases made with district credit cards are reasonable and prudent uses of public funds.

Status

Partially Implemented

The district's Purchasing/Credit Card Use policy, adopted in January 2019, provides guidelines for food purchases made with credit cards. The new policy requires a memo to accompany food receipts describing the nature of the expense and who was present. The new policy addresses food purchases if made by credit card, but not other purchase methods.

We reviewed the March 2019 credit card statement and supporting documentation and noted food purchases at a local restaurant for \$357. A memo describing the nature of the expense and who was present was not attached. The Fire Chief indicated the meal was for a local fire chiefs luncheon and the district was reimbursed for the expense.



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7. Sunshine Law

The Board's procedures for complying with the Sunshine Law, maintaining minutes of meetings, and retaining copies of certain email messages needed improvement.

7.1 Closed meetings and minutes

The Board did not comply with state law regarding meeting minutes and closed sessions.

- The Board did not prepare meeting minutes for 20 of 35 closed sessions held. Minutes of closed sessions were generally only prepared and retained if the Board took a vote in the session.
- The Board did not document in open meeting minutes the specific reasons or section of law allowing the meetings to be closed for 15 of 35 closed sessions held.

Recommendation

The Board of Directors prepare minutes for all closed meetings and ensure the specific reasons for closing a meeting are documented in open meeting minutes.

Status

Implemented

We reviewed the Board's open and closed meeting minutes for the period October 2018 through April 2019. Minutes were only prepared for the October 2018 closed meeting although closed meetings were also held in November 2018, December 2018, and January 2019. However, the Board President indicated minutes for these closed sessions were not prepared by the district's contracted transcriber. When the Board became aware of the issue, the transcriber was informed that minutes should be prepared for closed sessions as well as open sessions. We noted closed minutes were prepared for the April 2019 closed session. The open meeting minutes cited the specific sections of law allowing the meetings to be closed.

7.2 Board decisions

The district did not retain adequate documentation to support certain Board decisions and meeting minutes do not typically include Board discussions held to support decisions made.

Recommendation

The Board of Directors ensure meeting minutes include sufficient information necessary to provide a complete and accurate record of significant matters discussed and actions taken.

Status

Implemented

We reviewed the Board's open meeting minutes for the period October 2018 through April 2019. The minutes for this period contained more detail than the minutes reviewed during the audit. For example, the December 2018 open meeting minutes document a discussion regarding new policies the board was



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considering adopting, and the January 2019 open meeting minutes document the Board's approval of one of those policies, the Purchasing/Credit Card Use policy.

7.3 Public access policy and requests for records

The district has not adopted a written policy regarding public access to district records as required by state law. In addition, the district did not maintain a log or other record of public records requests to ensure all requests are handled in compliance with the Sunshine Law.

Recommendation

The Board of Directors develop written policies regarding procedures to obtain access to, or copies of, public records and establish a request log.

Status

Not Implemented

The district's draft policy manual does not include a public access to records policy. The Fire Chief indicated the district plans to develop its own written policy on public access to district records by October 2019. The Fire Chief also indicated the district has not received any Sunshine Law requests in the last several months, but plans to establish a request log.

7.4 Email

The district did not send the Fire Chief (the custodian of records) copies of email messages that are considered to be a public record under state law.

Recommendation

The Board of Directors ensure email messages sent between a majority of the Board's members are sent to the Fire Chief and made available for public inspection and copying in accordance with state law.

Status

Implemented

The Fire Chief indicated email messages are backed up on the district's server and only the information technology contractor has the ability to permanently delete the messages. Copies of email messages can be obtained from the contractor when requested.

8. District Policies and Procedures

District policies and procedures needed improvement.

8.1 Bylaws

The Board had not established written bylaws or other formal policies and procedures for the administration of the district. Instead, the Board President indicated the Board followed "Rules for Missouri Fire Protection Districts" provided by the University of Missouri Extension office.

Recommendation

The Board of Directors adopt written bylaws.

Status

Not Implemented



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The Board has not adopted written bylaws. The Board President indicated fire districts in Missouri, that are members of the Missouri Association of Fire Protection Districts (MAFPD), follow the MAFPD's recommended guidelines and as a result, adopting their own written bylaws is not necessary.

8.2 Standard operating guidelines

The district's Standard Operating Guidelines (SOGs), which served as a guide for operations within the district and were designed to assist employees in performing their job duties, did not include guidelines to address certain important issues, including employee performance evaluations, travel, and use of internet and email or personal use of district provided electronic devices.

Recommendation

The Board of Directors maintain complete, comprehensive, and up-to-date SOGs to help employees carry out district operations.

Status

In Progress

The district's draft policy manual includes a Performance Evaluations policy and an Information Technology Use policy. The district plans to finalize and adopt these policies by September 24, 2019. The Performance Evaluations policy will require full-time permanent employees to be evaluated by a supervisor once each year. The district adopted a Purchasing/Credit Card Use policy in January 2019. In addition, the Fire Chief indicated the district plans to develop a written travel policy by October 2019.

8.3 Budgets

The Board did not prepare annual budgets for all district funds as required by state law. In addition, budget documents did not include all statutorily required information.

The district had not prepared budgets for the Capital Improvement or Debt Service Funds. In addition, the budgets prepared for the General Fund did not include a budget summary or debt service information, and only included a comparative statement of estimated receipts and disbursements for the prior year when state law requires a comparative statement of actual or estimated receipts and disbursements for the 2 preceding years.

Recommendation

The Board of Directors prepare annual budgets for all funds that include all information required by state law.

Status

Partially Implemented

We reviewed the 2019 budgets and noted a budget was prepared for all funds. However, the budgets did not include a budget summary, debt service information, or a comparative statement of actual or estimated receipts and disbursements for the 2 preceding years.



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9. District Property and Vehicle Usage Controls and procedures over district property and vehicle usage needed improvement.

9.1 Maintenance and repairs District procedures for the maintenance and repair of vehicles and equipment were not adequate. An inspection of all district vehicles and equipment was performed on a daily basis and any maintenance and repair issues noted were documented on the Daily Truck Check Maintenance Appendix. Items were removed from the appendix when repaired or replaced. In addition, district personnel indicated items were also removed from the appendix at the request of the former Fire Chief if he determined the issue would not be repaired or replaced. However, the appendix did not document when and how identified issues were resolved.

Recommendation The Board of Directors establish adequate procedures to ensure vehicles and equipment receive preventative maintenance and repairs timely. At a minimum, require maintenance logs be kept for each district vehicle and equipment and that these logs be reviewed periodically.

Status **Implemented**
We observed that maintenance logs are now maintained for district vehicles and equipment, and daily inspection checklists are performed electronically using a software program purchased by the district in July 2018. District personnel use these records to record all repairs and maintenance performed and ensure repairs and maintenance are performed as needed.

9.2 Vehicle usage The current and former Fire Chief were not required to maintain vehicle usage logs. The current and former Fire Chief were provided a district vehicle and personal use was allowed. The district did not report the value of the current and former Fire Chief's personal use of a district vehicle on W-2 forms as required by the Internal Revenue Service (IRS). Prior to October 2016, these vehicles were not marked as public safety vehicles.

Recommendation The Board of Directors refer to IRS guidelines regarding use of employer-provided vehicles and adopt appropriate policies and requirements. In addition, the Board should also ensure all compensation is properly reported on W-2 forms, and amend W-2 forms for unreported compensation, as appropriate.

Status **Partially Implemented**
The district's draft policy manual includes a Use of District Vehicles policy. This policy prohibits personal use but does not meet all of the IRS requirements because it does not require the employee to always be on call or require the employee to use the vehicle for commuting. The district plans to finalize and adopt this policy by September 24, 2019. The district did not report the value of the current and former Fire Chief's personal use of a district



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vehicle on W-2 forms as required by the IRS and has not amended past W-2 forms for unreported compensation. The Board President indicated the district has a new attorney and the Board will discuss this matter with him before making a final decision.

9.3 Capital assets

The district had not developed procedures to identify capital asset purchases and dispositions throughout the year and records to account for district property were not adequate. Capital asset records lacked some necessary information such as purchase date, vendor, model or serial number, and disposition information such as the date and method of disposal. In addition, assets were not tagged or otherwise identified as district property and an annual physical inventory was not performed.

Recommendation

The Board of Directors ensure complete and detailed capital asset records are maintained on a perpetual basis, assets are properly tagged for identification, and annual physical inventories are performed and compared to detailed records.

Status

In Progress

District personnel created a capital asset record when they performed a physical inventory of capital assets costing \$1,000 or more in March 2019. The record includes a description of the item, its location, and the inventory number. It does not include some necessary information such as purchase date, vendor, and model or serial number. We observed the district has affixed property tags with inventory numbers to the assets on the capital asset listing and generic unnumbered property tags to other district property not required to be on the listing. The Fire Chief indicated the capital asset record will be updated to include purchase date, vendor, and model or serial number as new assets are purchased and added to it.

10. Employment Contracts

The district entered into multi-year employment contracts without terms allowing the district to terminate the employee for reasons other than for cause.

The district entered into an employment contract with terms allowing the district to terminate the former Fire Chief for cause, but the contract did not address termination for other reasons. In addition, the contract automatically renewed each year so that following each extension, the agreement term remained 5 years. The current Fire Chief's contract also did not address termination without cause and renewed automatically each year so that following each extension, the agreement term remained 3 years.

Recommendation

The Board of Directors ensure employment contracts properly safeguard district interests.



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Status

In Progress

No revisions have been made to the current Fire Chief's contract. As indicated in the audit finding, it does not address termination without cause and renews automatically each year so that following each extension, the agreement term remains 3 years. The Board President indicated the district's attorney is working on revisions to the contract and the Board has authorized the attorney to negotiate a new contract with the Fire Chief. The Board plans to review the amended contract at its September 24, 2019, meeting and approve the final contract in October 2019.

11. Electronic Data Security The district did not have security controls in place to lock computers after a specified number of incorrect logon attempts. In addition, the district did not periodically test for recovery of data from backup files.

Recommendation

The Board of Directors require each computer to have security controls in place to lock it after a specified number of incorrect logon attempts. In addition, ensure recovery of data from backup files is tested on a regular basis.

Status

In Progress

The Fire Chief indicated new computers were purchased and installed in early 2019 and the new computers lock after a period of inactivity. In addition, we reviewed the district's current information systems and information technology (IT) services contract and it requires the contractor to perform data backups and develop and test a disaster recovery plan. However, the IT vendor has not tested the plan because the district's internet connection speed is not sufficient to perform the test. The Fire Chief indicated the district is currently working on upgrading its internet service so the plan can be tested.