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Date: March 4, 2014

To: Audit, Finance and Enterprise Committee

From: Jennifer Ruttman, City Auditor

Subject: Follow-up Review – Wildland Response Team Reimbursement Process

cc: John Pombier, Deputy City Manager
Harry Beck, Fire Chief

Pursuant to the Council-approved Audit Plan, the City Auditor's office has completed a follow-up review of our audit of the Mesa Fire & Medical Department Wildland Response Team Reimbursement Process. The final report is attached and will be presented at the next scheduled meeting of the Audit, Finance and Enterprise Committee. Please feel free to contact me with any questions or concerns.

FOLLOW-UP REVIEW

CITY AUDITOR

Report Date:	March 4, 2014
Department:	Mesa Fire & Medical Department (MFMD)
Subject:	Wildland Response Team Reimbursement Process
Lead Auditor:	Karen Newman, Sr. Internal Auditor

OBJECTIVE

The objective of this review was to determine whether the Mesa Fire & Medical Department (MFMD) has effectively implemented the action plans presented in their responses to our November 2012 audit of the City's Wildland Response Team Reimbursement Process.

SCOPE & METHODOLOGY

To accomplish our objectives, we reviewed applicable policies and procedures and other established guidance and interviewed City staff members.

BACKGROUND

On November 7, 2012, we issued a report on our audit of the City's Wildland Response Team Reimbursement Process. The objective of that audit was to evaluate the processes in place to ensure the City receives all available reimbursements from the State for services and equipment provided by the MFMD Wildland Response Team.

The audit report included two recommendations, which can be summarized as follows:

1. Standard Operating Procedures (SOPs) for tracking Wildland Response Team expenses and requesting reimbursement from the State should be documented, to clearly disseminate expectations, minimize disruptions of essential operations during employee absences and ensure compliance with Arizona State Forester requirements.
2. The MFMD should develop a policy that defines the terms and conditions under which a rest period will be permitted upon return from a Wildland deployment. This policy should then be submitted to the Arizona State Forester with the goal of gaining approval for reimbursement of such rest periods in the future.

In response to the report, the department agreed with the recommendations and presented corrective action plans.

CONCLUSION

All of the corrective action plans have been implemented. A complete list of corrective action plans, along with our findings regarding their implementation status at the time of this review, is presented in the attached [Appendix](#).

APPENDIX

 = Implemented

 = In Progress

 = Not Implemented

<u>Corrective Action</u>	<u>Implementation Status</u>
CAP#1: Documentation of Standard Operating Procedures (SOPs)	
<p>Recommendation: Standard Operating Procedures (SOPs) for tracking Wildland Response Team expenses and requesting reimbursement from the State should be documented, to clearly disseminate expectations, minimize disruptions of essential operations during employee absences and ensure compliance with Arizona State Forester requirements.</p> <p>Management Response: The Financial Division of the Department is currently writing procedures that will document reimbursement procedures to ensure compliance with Arizona State Forester requirements to minimize disruptions of essential operations and ensure consistent expectations and procedures among the various members of the Department involved in Wildland responses, the tracking of those responses and the members responsible for processing the reimbursements. Since the Arizona State Forester updates their procedures annually and releases those updates in February or March of each year, our procedure will not be completed until we receive those updates. Our procedures will need to be reviewed annually to ensure compliance with the Arizona State Forester's annual update.</p>	<p>Implemented</p> <p>Standard Operating Procedures for tracking Wildland Response Team expenses and requesting reimbursement from the State have been documented.</p> <p style="text-align: right;"></p>
CAP#2: Post-Wildland Rest Period Policy	
<p>Recommendation: The MFMD should develop a policy that defines the terms and conditions under which a rest period will be permitted upon return from a Wildland deployment. The policy should provide specific, appropriate guidance to ensure that all employees are treated fairly and that safety is maximized.</p> <p>The policy should then be submitted to the Arizona State Forester with the goal of gaining approval for future reimbursement of costs associated with rest periods. If approval is obtained, accounting for rest period expenses should be added to the Department's Standard Operating Procedures for tracking Wildland Response Team expenses and requesting reimbursement.</p> <p>Management Response: The audit of our wildland reimbursement procedures identified a gap in our Standard Operating Procedures (SOPs) as it pertains to reinstating members back in service after a wildland deployment. The lack of having such a procedure has caused some confusion and inconsistency among returning members and may have disqualified us from being eligible to submit for return rest period reimbursements. The Staffing Guidelines Committee, a standing Labor/Management committee, will review the current deployment/reinstatement wildland response procedures and make revisions that are updated to correspond with the Arizona State Forester's reimbursement procedures. The new procedure will be submitted to the Arizona State Forester for approval.</p>	<p>Implemented</p> <p>SOP 110, which defines the terms and conditions under which a rest period will be permitted upon return from a Wildland deployment, has been developed and approved by the State.</p> <p>Reimbursement procedures have also been updated to ensure rest periods are reimbursed, when applicable.</p> <p style="text-align: right;"></p>