



togetherforbetter

Clark County Audit Committee

Clark County, Nevada

Michael Naft, Chair
April Becker, Vice Chair
William McCurdy II

The committee members of Clark County Audit Committee, met in joint regular session at the regular place of meeting in Clark County, Nevada, on Wednesday, July 23, 2025:

CLARK COUNTY GOVERNMENT CENTER
PUEBLO ROOM
500 S GRAND CENTRAL PKWY
LAS VEGAS, NEVADA 89106

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SEC. 1. CALL TO ORDER

CALL TO ORDER

The meeting was called to order at 9:30 a.m. by Chair Commissioner Michael Naft with the following members present:

Commissioners Present:

Michael Naft, Chair
April Becker, Vice Chair
William McCurdy II

Absent:

Also Present:

Kevin Schiller, County Manager
Les Lee Shell, Deputy County Manager
Abigail Frierson, Deputy County Manger
Billy Samuels, Fire Chief
Jeffrey Rogan, Deputy District Attorney
Timothy Baldwin, Deputy District Attorney
Aaron Darragh, District Attorney Intern
Rita Reid, Assistant Public Administrator
Noraine Pagdanganan, Sr Estate Coordinator
Anna Danchik, Comptroller
Suzanne Noble, Deputy Chief Information Officer
Jennifer Green, Director of Budget and Financial Planning
Derek Tacason, Financial Analyst II
Pedro Solano, Senior Financial Analyst
Mayra Alonso, NFP Permit Coordinator
Angela Darragh, Audit Director
Cynthia Birney, Manager, HIPAA & Audit
Felix Luna, Principal Auditor
Mary Yanez, Auditor
Scott Routsong, Auditor
Joshua Cheney, Information System Auditor
Chris Hui, Information System Auditor
Tracy Banks, Auditor (remote)
Wayne Dailey, Deputy Fire Chief (remote)
Ariana Garay, Executive Assistant

SEC. 2. PUBLIC COMMENT

There were no comments from the general public.

SEC. 3. AGENDA APPROVAL

MOTION

MICHAEL NAFT

Move to approval, all in favor say aye.

VOTE

VOTING AYE: Michael Naft, April Becker, William McCurdy II
VOTING NAY: None
ABSENT: None
ABSTAIN: None

MICHAEL NAFT

Motion carries.

SEC. 3. MINUTES APPROVAL FROM AUDIT COMMITTEE MEETING ON APRIL 23, 2025.

MOTION:

MICHAEL NAFT

Move for approval, all in favor say aye.

VOTE

VOTING AYE: Michael Naft, April Becker, William McCurdy II
VOTING NAY: None
ABSENT: None
ABSTAIN: None

MICHAEL NAFT

The motion carries.

SEC. 5. RECEIVE PRESENTATION FROM AUDIT STAFF REGARDING COMPTROLLER IMPREST AND PETTY CASH FYE 2025 AUDIT REPORT

ANGELA DARRAGH

Nevada Revised Statutes Chapter 354 provides for the Board of County Commissioners to establish petty cash accounts, imprest bank accounts, and revolving change banks to assist in the administration of government activities. These funds are in custody of the departments to which they are assigned and managed at the department level. Petty cash funds are for small immediate purchases, imprest accounts are checking accounts for payment of expenses, and revolving change banks are for making change for payments to the department. Clark County has approximately \$1.64M in custody of other officials as of December 31, 2024.

The objectives of our audit were to determine if departments comply with Fiscal Directive 16 and the corresponding Board resolutions for managing their imprest, petty cash, and change funds. Determine if fund balances agree with the SAP general ledger balances and the Comptroller's Schedule of Cash in Custody of Other Officials. To conduct this audit we performed cash count observations of petty cash and change funds for:

- Clark County Clerk
- 8th Judicial District Court

- Department of Juvenile Justice Services
- Department of Parks and Recreation
- Clark County Treasurer

Observed LVMPD personnel perform counts of all cash funds. Reviewed Board Resolutions for all funds. Reviewed 3 reconciliations of imprest and petty cash funds and reperformed a single month's reconciliation for each. Reviewed 3 days of daily count documentation for select change funds. Reviewed department written policies governing funds assigned. Agreed the general ledger balances to the Comptroller's schedule.

In conclusion we found that the departments comply with the requirements of Fiscal Directive 16 and the corresponding Board resolutions. We also found that the fund balances agree with the Board resolutions, the SAP GL balances, and the Comptroller's Schedule of Cash in Custody of Other Departments. We found a few immaterial issues that we reported to individual department through individual memos to department management and the Comptroller. There were no material issues found in performance of the FYE 2025 audit. We did have one item that we found which was that the Public Administrator trust account dividend payments had not been distributed to clients.

First Finding: The Public Administrator (PA) holds client estate funds in trust. These trust funds are deposited in two accounts: a checking account and an investment account. The reconciled balance of the two accounts as of March 31, 2025, was \$25,812,775. The fund balance includes dividends earned totaling \$1,155,792 from December 2022 through March 2025. As of June 2024, these dividends had not been distributed to estate accounts. The accumulation of the dividend funds can create legal and tax liabilities for the County and the PA.

Recommendation: We recommend the PA implement a procedure to allocate and or distribute trust fund dividends to client accounts. The Public Administrator is here to respond.

RITA REID

I can answer questions or talk a little bit about how we got where we are.

MICHAEL NAFT

If you can keep it specifically tailored to how we are holding onto \$1,155,792 dollars of the state's money.

RITA REID

Management Response: When we go back, we were not earning any interest for a year and a half, and then as much of you know September 2022 occurred and our office was decimated and devastated, we ended up with four full-time staff running the entire department for a long time. Our goal at that point in time was to handle all the backlog and cases. First, I want to thank Angela and her team, they always do a good job, they are very professional and work with us very well whether we have issues or not. At that point in time, we were just invested and underwater and doing the best we could to handle these assets that were also at risk. Real properties being closed, cash on account, and we had court orders to make distributions. The four full-time staff that were there were working tirelessly and working around the clock we even had Public Guardian jump in and help us at that time.

One of the things that did not get done was the CPA adjust reconciliation, we were not looking at those, I was not looking at those at that time we were just underwater and trying to get things done. Besides, we were not earning any interest so a few months down the road we hired some additional staff, we got a little bit of a breather. I made sure to go back and looked at the reconciliation in the Spring of 2023 and realized that we started earning interest in November 2022. After a year and half, it just started to accrue

dividends. By that time, we were 5 to 6 months in, to fix that would have been a huge project. It is not like we could go back and post that interest. Some of those accounts that had larger amounts were distributed and closed. If we went back, we would have to see which cases were closed, which account accumulated interest, go to go court to reopen those cases. Figure out how much interest they accumulated and then post them.

This was a huge project at time that we were underwater, we still at this point in time do not have sufficient resources to handle all the cases in our office. We are doing our best but clearly the longer it goes the bigger the project becomes. We have invested quite a few hours trying to determine how best to go back and look at those accounts and we found that the coding in our system, we spent an amount of hours to see how it would run in our test system what we discovered that through the years the coding that is needed for each of those cases in our case management system was not being done accurately. Now not only can we not run the testing but now we have to go back and fix all of the codes, trying to flag all our interest flags and do a couple of other components in our case management systems and run those, update those and then run out test systems to see if the interest post, get with our CPA, get with our attorney for the legal process.

MICHAEL NAFT

Not to interrupt, but just to ask a question, I know this is difficult, but this is the law and responsibility of your office. Let's project out a little bit when will this be resolved.

RITA REED

I don't know when, but we have been working on it, been working with the CPA, with the attorney for those cases, been working with our vendor for the system to get all the coding updated. One of the biggest things that we need is to get staff to focus on it but that has not been available to us. We are implementing some changes, some will take effect in August and some others in September, so we focus more on our mandated duties. We shared with Leslee Shell and talked to her we understand County that resources are not there, we are not going to get additional positions. She asked what we are doing that we don't have to be doing, so we went back to look at our statutes, talking with DA Civil and we are going to hold back on our non-mandated duties we have reviewed with Washoe Couty PA, we have often wondered how that agency has half the case load and more staff.

MICHAEL NAFT

Respectfully that is almost every department in the county we have a unique situation in Clark County that can be extended I'm sure to the Chief sitting to your left.

RITA REED

One of the things we talked to them was about here are our statutes, how do you do it and a lot of the things they did differently. We just don't have the resources to not do our non-mandated duties and we need to focus on our mandated duties, that is where we are heading in August and September. So, within a few months I think we are going to have a better handle on our workload that is coming to the office. Those cases that were coming in 2021 were about ninety four percent increase from the year before with no additional staff. That is almost a hundred percent increase in volume coming not including the cases that we already had. We need to break that down and not take all the incoming cases, if we are not taking them all in, then all of our staff can focus on what we have in front of us. I think to do it, to make it happen it is just a step-by-step process. I think the time consuming part is when we need to take it to the CPA, and say this case closed in 2021, here is the interest, and let them know what interest that case would have earned. Then they need to check what the tax liability would be or might be.

WILLIAM MCCURDY

We understand the problem; we sympathize with the lack of staff resources but at the end of the day as the chairman stated you have a mandated job and mandated duties to meet. While I realize this is a much more complex issue, we are going to need to have a little more specification as to the corrective action timeline and your resolution forwarded to Angela and to our committee as soon as possible.

MICHAEL NAFT

Is that something you can respond perhaps more to; I know we received a letter last night, I just saw this today. To McCurdy's point, outline what the actual remedy I think we all understand what the problem is right? You made that perfectly clear but with what you have, what are the steps to resolve this and perhaps some of the other challenges within the office

RITA REED

With that we have right now and with making the changes in August and in September I would say that with what we can control we can get back to the CPA and they would need to have some time, I can't really say. Opening the cases in court isn't going to be a problem as far as timing goes, the attorney that we work with are pretty quick. My best guess would be by the end of the year as long as the things we can control and make that happen.

MICHAEL NAFT

I just expressed clearly that there is urgency on this, the more time that goes on the more complex this becomes when you are dealing with an estate. You understand that?

RITA REED

I do understand, maybe you can help me, we talked to IT about getting a Tier 1 resource to help in this process. If we can get some additional resources, we can move faster but right now we have a number of properties at risk that are at default. I know it is a lot of money, I know this is mandated but we risk losing other assets if our staff are pulled away from handling their cases. I would say we have about thirty real properties under our jurisdiction and all of those need to be monitored. That is also a big risk we can't afford to lose any of the real property. The staff is fairly new; they need more time to focus on those cases to make sure we don't get notices of foreclosure.

MICHAEL NAFT

I understand what you have to do, and all the responsibilities in your office need to be done. Maybe for Mrs. Shell, for both this committee and county commission, Mrs. Shell could provide us with information about your department. How we can get some follow up as it relates to this audit but more broadly the status of the department.

LESLEE SHELL

As Rita mentioned we have been in conversations, starting in March more in depth, we have had some back and forth. There have been some opportunities to talk about some additional resources that maybe could be provided so we can definitely dive deeper into that and provide some options to the board as to what those might look like and how we may ingrate that into Mrs. Reed's office. To your point it is vital that we have a timeline, this piece in particular has been brought to our attention and has some urgency and the longer it waits the more problematic it becomes so we can take that away and bring something back to you in the next couple of weeks.

MICHAEL NAFT

That would be great. Thank you.

WILLIAM MCCURDY

Asking for resources is one thing but understanding how they are going to be deployed in another different conversation, so we are going to have to have an actual plan.

LESLEE SHELL

Completely understood.

ANGELA DARRAGH

Is it possible that you can start allocating that interest now, I would hate to see that building up more in the next two to three months, I understand how difficult it is to go back and do that.

RITA REED

We have actually considered that right away, but if those cases earned interest before and then they earned interest on that total accrued...we talked about that but we some of them have several months of interest that are owed, those that are open right now if we don't go back to the beginning, we can't really allocate on case because the system probates it for all of the cases. We don't think there is a way to do that, that is one of the first things we thought of, if we just start now and then go back but then those cases lost that value for the months prior and they are getting interest earning today for a lower amount that they are entitled to.

ANGELA DARRAGH

Okay.

MICHAEL NAFT

It is a little unusual for this committee to ever go without any kind of action plan moving forward it is a little bit of unconformable position for us, Mrs. Darragh, what is the authority to bring this back. We will rely on Mrs. Shell to provide us with department plans on what is being done.

ANGELA DARRAGH

If you want, we could bring this back to the next Audit Committee scheduled for the end of October to get an update of where everything stands, normally we don't do a follow-up till next year. But this might require more close monitoring

MICHAEL NAFT

If we could add this to the agenda and provide us with an update, make sure that whatever the needs are, that there will be some follow-up there. Will you be able to attend the October agenda Mrs. Reed?

RITA REED

Sure, absolutely.

MICHAEL NAFT

Anything further from the committee. No, okay this is not an action item but that will be the direction. Thank you very much.

SEC. 6. RECEIVE PRESENTATION FROM AUDIT STAFF REGARDING IT VPN AUDIT

ANGELA DARRAGH

A Virtual Private Network (VPN) is used by Clark County employees, consultants, and vendors, to securely access the Clark County network. Over the past several years, the number of individuals using VPN to

access the County network increased substantially due to an increase in remote work options. There are currently 3,603 employees and 170 vendors connected to the County network. State law requires Clark County to follow specific cybersecurity controls. Clark County follows guidelines issued by the Center for Internet Security to comply with this law. Clark County is also subject to other requirements for securing data. These include the HIPAA Privacy and Security Rule, Payment Card Industry standards, and Criminal Justice Information System standards.

The objectives of our audit were to:

- Determine whether VPN implementation and configuration are appropriate.
- Verify that policies and procedures are adequate to protect County data.
- Ensure Clark County maintains user permissions based on employment status and job duties; and
- Determine whether VPN activity is monitored.

We found that while VPN applications used by Clark County are generally configured appropriately, there are areas that can be improved.

These include:

- Completion of risk assessments;
- Application of pre-connection security requirements;
- Disabling of dormant accounts;
- Selection of alert criteria;
- Completion of policies and procedures; and
- Testing of backup procedures.

First Finding: Risk Assessment was not completed by VPN. Risk assessments identify scenarios that could affect the availability, confidentiality, or integrity of data. HIPAA regulations also require risk assessments. Organizations can be fined for not conducting risk assessments. Without a completed risk assessment, we could not determine whether Clark County properly identified and mitigated risk areas.

Recommendation: Complete a written risk assessment for VPN applications to determine the potential risks and vulnerabilities to the confidentiality, integrity, and availability of data.

- Implement additional security measures as appropriate based on the assessment.
- Review and update the risk assessment annually to ensure risks are at reasonable and appropriate level.

SUSAN NOBLE

Management Response: We are undergoing, and we responded that we would be doing a risk assessment moving forward.

ANGELA DARRAGH

Second Finding: Security requirements to Connect to the County Network by VPN do not apply to all users. Clark County has certain requirements that users must meet to connect to the County network through VPN. Requirements include items such as antivirus, antispyware and firewall software that must be installed on the host. We found that the County is not requiring all user types to comply with these requirements. This creates a risk that a user does not comply with the requirements, subjecting the County to greater risk of virus, spyware, or unapproved access.

Recommendation:

Verify all clients connecting to County VPN have the latest version of Windows with critical security updates installed and an antivirus package with an up-to-date virus signature database.

MICHAEL NAFT

Can we require vendors to comply with that?

SUSANNE NOBLE

Management Response: Yes, they signed our Network Agreement and by signing our agreement they agreed that they have to conform to our standards.

ANGELA DARRAGH

Third Finding: Dormant Accounts not disabled within CIS required timelines. Clark County disables accounts after 60 days of inactivity. CIS controls require accounts be disabled after 45 days of inactivity. The longer time period increases the risk that an account is compromised.

Recommendation:

Update the current process to disable accounts after 45 days of inactivity

SUZANNE NOBLE

Management Response:

We are going through our controls to make sure that we put in place that we are working to disable accounts after 45 days, and to keep track of when they are being disabled and when they are being requested to. This process is in place.

ANGELA DARRAGH

Fourth Finding: Criteria for automated log reviews needs to be validated. Clark County IT uses an application to automatically review logs based on criteria set by the department. They also perform manual reviews of logs as needed. We could not determine if Clark County IT included all appropriate scenarios in the automated review. IT should have identified these types of scenarios during a risk assessment.

Recommendation:

Review and update automated log reviews based on risks identified in risk assessment.

SUZANNE NOBLE

Management Response: We will add this to the risk assessment mentioned in the first finding.

ANGELA DARRAGH

Fifth Finding: Policies and Procedures need to be updated. We found several policies and procedures related to VPN did not accurately reflect current practices or were incomplete.

Recommendation: Update existing policies and procedures to ensure they reflect current practices.

SUZANNE NOBLE

Management Response: We are updating our policies and procedures, not just these ones but all of them to make sure they are all updated.

ANGELA DARRAGH

Sixth Finding: VPN issues are not resolved in accordance with department guidelines. Clark County IT prioritizes issues reported to the help desk and has timelines established for resolution of each type. A "ticket" is opened for each issue and assigned to the responsible technician. There were 407 incidents related to VPN services during fiscal year 2024. We sampled a total of 41 incidents and found 11 out of 41 (27%) tickets related to VPN services did not meet the target response times (1 priority 1, 3 priority 2, and

7 priority 3). VPN incidents should be resolved in a timely manner to reduce potential security issues, including unsecure user work arounds and lost work time while waiting for an issue to be fixed.

Recommendations

- Create a written policy or procedure that provides directions to Clark County IT employees for actions to take when tickets are assigned to them. Include Inactivity alerts to ensure that the tickets are addressed according to target response times.
- Review the target response times to ensure they meet current business needs.
- Create an additional priority for items that are low priority and require longer than the current priority 3 response time to minimize inactivity alerts fatigue.

SUZANNE NOBLE:

Management Response: We are adding to this our policies.

ANGELA DARRAGH

Seventh Finding: Backup Data for VPN applications should be tested periodically. During our testing, we found that while Clark County IT has a detailed recovery process for recovering and restoring a server, they do not have a process in place to test the backup. CIS Control 11.5 requires organizations to test backup and recovery quarterly, or more frequently, for a sampling of in-scope enterprise assets.

Recommendation: We recommend that they implement a procedure to ensure backups are tested or used for recovery at least quarterly or conduct a risk analysis to determine that it is not needed.

SUZANNE NOBLE:

Management Response: We are also going to do that; we are updating our policies to make sure that this is being done.

MICHAEL NAFT

Any questions? Thank you very much.

SEC. 7. RECEIVE PRESENTATION FROM AUDIT STAFF REGARDING FIRE PLANS CHECK

ANGELA DARRAGH

The Clark County Fire Prevention Bureau conducts fire prevention plan reviews and field inspections for new construction, tenant improvements, and building modifications in accordance with the Nevada Revised Statutes and Clark County Fire Code.

In 2024, the Fire Prevention Bureau completed 73,551 inspections and 16,151 plan reviews.

On September 15, 2021, Southern Nevada Fire Protection, Inc. filed a complaint against Clark County and the Fire Prevention Bureau. They alleged unequal treatment compared to competitors in how Fire Prevention applied and enforced freeze protection requirements for outdoor pipes. They claimed this treatment caused the denial or delay of their fire plans. This audit was part of a settlement agreement for that lawsuit.

Our objectives were to Determine whether policies, procedures, and internal controls are designed and operating effectively to ensure fire protections plans are reviewed in a fair and timely basis and personal bias is not a factor in the review and approval of fire prevention plans; and determine whether Fire Prevention has been consistent with review and approval of all fire sprinklers, standpipes and fire pump plans, including freeze calculation requirements. Our conclusion fire prevention does not have

procedures in place to ensure fair, timely, and unbiased plan reviews. We have four findings, two high risk and two medium risk.

First Finding: Additional processes are needed to ensure fair timely, and unbiased plan reviews. We have a couple of different areas that we lumped into this and I quickly will go over them.

- Fire plan checkers select which plans they want to review, and there is no supervisory review process after they are reviewed. This could allow plan checkers to inconsistently or incorrectly apply codes without correction.
- We also found that once a plan checker reaches the top of their pay scale, they no longer receive evaluations. Evaluations are important for employee development and potential training needs or discipline.
- There is no guidance for plan checkers to follow when it is unclear whether a heat loss/ freeze calculation is necessary. This can result in decisions that lack of uniformity.
- There is no process to monitor conflicts of interest. Potential conflicts of interest are evaluated during an employee's hiring process, and secondary employment notification is required annually by County policy. None of these requirements address personal relationships. Staff could review plans for companies that they or their families have an interest in without management's knowledge. This could lead to inappropriate approvals or disapprovals or other unfair treatment.
- Staff certification status is not monitored. Certifications are required for many of the positions to ensure qualified staff.
- There are no written policies and procedures for intake staff. This can result in inconsistent or inefficient operations.
- The informal escalation process was not posted on the website. Customers have no knowledge of the actions they can take if they disagree with a plan checker's decision.

Recommendation: Rather than going over all the recommendations I will pass it on to the fire chief and have him respond, if that's okay?

BILLY SAMUELS

Management Response:

We did submit our findings, we did have a document submitted, however we did go over some timelines on Monday to make sure they are a bit more specific.

For 1.1 CCFD will reestablish the quarterly QA audit reviews this will be done by the end of Q3 2025 to ensure appropriate and consistent reviews are conducted. These reviews are a random plan selection re-reviewed by a peer based on the appropriate standard or checklist. The details of the review are documented on the QA review form and used to detect review patterns or areas of emphasis. CCFD will also investigate the feasibility of establishing annual performance reviews for staff after they have reached the top of the pay scale. We have to discuss this with our union, there is one thing with the fire side once our members tap out, we don't do annual evaluation. That is something that might be atypical for our department I think we might be the only who actually do that so if that is the case we would have to get with our union to consent. Since there is no increase in pay, it is just a COLA, it is not a step raise but we still need an annual evaluation.

On 1.2 CCFD will draft an internal policy by the end of Q3 to establish guidelines for when freeze protection of piping shall be required. The department has already developed a spreadsheet to indicate the prescribed amount of insulation required based on the pipe size without needing to provide additional calculations. We actually do already have that in place, Chief Horvat is working on finalizing that excel worksheet once it is done, we will work on getting that to you.

For 1.3 CCFD will verify employees are current in all required certifications during the annual safety check. These checks are completed during the team members' birthday month; this includes their physical. During this check supervisors verify staff are maintaining required safety equipment, conducting the required annual physicals, and verifying NV driver's licenses. When you look at the job description on some of our staffing, it states that you need to have the certification but doesn't mean you have to maintain it so we are working with HR to update our job descriptions to "you must have and maintain" that license. On the suppression side you need to have firefighter cert to direct your career, these certifications were not mentioned in the job description when the employee was hired.

On 1. 4 CCFD will establish a cooling off period for employees who formerly worked for fire protection contractors. An internal policy will be established to annually monitor potential conflicts of interest. A document will be created for staff to disclose their own, or their family members', potential conflicts of interest. Management will use these disclosures to maintain the appropriate separations and work assignments. These policies and procedures will be reviewed and documented annually by the calendar year with all members of the Fire Prevention Bureau. Initial development and review to be completed prior to the end of 2025. Some of the things that we have is they have to file if they have additional employment, they give it to the department head and I sign and verify if they are doing any contract work with Clark County then I deny it. If it is out of state, it is not much of an issue.

One of the things that we talked about is that it is probably not a bad thing to assign theft prevention, I talked to Katie Walpole on Monday to see if we could do that, she said yes. There is also the County Manager's office statement of incompatible activities, county managers all sign it but we don't have something like that for the suppressions side to deal with those things. Maybe we can edit this to cover that basis.

MICHAEL NAFT

Have you contemplated how long the cooling off period will be?

BILLY SAMUELS

We do 90 to 120 days I believe that is a reasonable timeframe, unless someone has a better idea but I think that is within reason.

For 1.5 CCFD is engaged in an ongoing effort to establish desk manuals for the intake and administrative staff and will complete the project and training at the end of Q1 2026. These will be used in part to establish a training program for the group. They will also be used to establish policies and procedures for each position. One of the things we were able to obtain with supplementals was a training officer for fire inspectors and plans checkers that will help with the policies and procedures. I am not asking for any more staff unless you want to give them to me

For 1.6 CCFD will post the second opinion process on its website. This process is very similar to the process used by the Building Department. It was supposed to be on the website, there was a glitch on the site, and we checked on Monday and it was not there, but Chief Horvat will make sure that it is updated. The building department already has this; we are going to mimic what the building department does unless anyone objects to that. We will work with Director Gerren and his team on that and this will get it done by the end of Q3 2025.

This is for 1.7 CCFD will continue to develop plan review checklists based on the various NFPA standards as well as the adopted fire code. This is an on-going effort, as the checklists are developed, they will be released for public use and posted on the website for use by stakeholders. When you look at some of the

checklists that we have when it is a smoke detector or carbon monoxide detector, those are common checklists that we have when it is one of those one offs that you have free protection for the structure we really don't have those and to spend that much effort to create something like that for those 2 or 3 assignments per year it was not making much sense, but as we create one then we can move forward and make that the template and go from there.

Next for 1.8 CCFD has included fees for resubmittals and revisions in the upcoming fire code adoption. This adoption is tentatively scheduled to go before the BCC in September with an effective date in January of 2026. The only issue that we may have is the program we use is Accella and we have to make sure that the vendor is able to update those fees we are working with IT to get that done.

ANGELA DARRAGH

Second Finding: Accella user rights should be periodically reviewed, and user groups should be modified. Accella is the application used by Fire Prevention to process permits. We found 31 users with rights that exceeded those needed to perform their job duties. Support staff were in the same user groups as senior management, who have access to additional system functions, such as fee modification, override, plan approval without payment. This could lead to inappropriate access and activities going undetected.

Recommendation: Perform a user access review to verify that each group's assigned user rights are appropriate and aligned with their roles and responsibilities. Grant the minimum set of rights and permissions necessary to accomplish their assigned departmental tasks for each group. Assign users to their appropriate groups. Establish policies and procedures for reviewing Accella user access and permissions at least annually in compliance with Technology Directive 1.

BILLY SAMUELS

Management Response: For 2.1 CCFD will review prior to the end of Q3 2025 with our IT department to validate all Fire Prevention Accella users have the appropriate access for their assigned job. These permissions will be re-reviewed annually. For 2.2 CCFD will establish and grant the minimum rights and permissions to each work group based on job function/task upon completion of the review. For 2.3 CCFD will assign users to the appropriate Accella group based on work group job function and task upon completion of the review. For 2.4 this will coincide with 1.3 the annual review of the birthday cycle, CCFD will establish a procedure to include the review of user access and permissions as part of the annual safety check/driver's license checks to ensure that rights and permissions are appropriate to job function/task. During this check supervisors will verify staff are maintaining the required safety equipment, conducting required annual physicals, and verifying NV driver's licenses. This check will be completed annually during the team members' birthday month.

ANGELA DARRAGH

Third Finding: Heat loss calculation missing in one plan despite inclusion in similar submissions. The work we did with this finding was getting on to the crux of the lawsuit. We reviewed 15 fire plans with the assistance of an individual knowledgeable of fire code but independent of the plan review process. We found 1 plan that did not have a freeze calculation, while it was required of similar plans. However, we do want to mention that the lack of the freeze calculation did not affect the plan's compliance.

Recommendation: Strengthen management oversight and finalize guidelines for the heat loss/freeze protection calculation requirement to enhance consistency when reviewing and approving the fire plans.

BILLY SAMUELS

Management Response: This is similar to 1.2 the same response when it comes to the freeze calculation of internal policies by the end of Q3. CCFD will finalize the guidelines and spreadsheet for the heat loss/freeze protection requirements and provide direction and training for this requirement prior to the end of Q3 2025. These guidelines will be posted for industry use and understanding.

ANGELA DARRAGH

Fourth Finding: Errors in fee assessments and permits approved without required payments. We found 2 permits issued with unpaid balances on the 2018 fee schedule and 3 permits issued with unpaid balances using the 2023 fee schedule. (totaling \$1,080 and \$1,260 respectively). We found errors in the assessed fees for 3 of 40 submissions using the 2018 fee schedule and 7 of 30 submissions using the 2023 fee schedule. The next slide show shows the differences while the dollar amounts were not significantly high the percentages were high.

Recommendation: Provide fee assessment training to new and existing staff. Periodically monitor staff compliance with the fee assessment process and provide additional training as needed. Establish a collection policy for applications and identify additional permits with outstanding or unpaid fees. Attempt to collect the outstanding fees. Update the Accela application to ensure applicants make full payment before issuing a construction permit. Contact the District Attorney, Civil Division, for further guidance on writing off closed accounts with unpaid and uncollectable balances.

BILLY SAMUELS

Management Response: This surprised me how we are not collecting fees for services that doesn't make sense to me. Under 4.1 CCFD will establish and provide fee verification/assessment training to appropriate staff members. Training will be provided and completed by Q4 2025, prior to the adoption of the new code which is intended to become effective in January 2026. For 4.2 CCFD will begin conducting a monthly audit of a random application for each intake staff member responsible for fee verification/assessment by the end of Q4. Training will be provided as needed. This equates to 1 per person, per quarter, that is about 20 per year so it is feasible without increasing the workload.

For 4.3 CCFD will work with IT in Q4 2025 to develop/refine an Accela report to identify applications with outstanding or unpaid fees. CCFD will establish a procedure for billing and collecting outstanding balances on the applications. For 4.4 CCFD will work with IT to ensure that the Accela programming requires full payment prior to the issuance of a construction permit. In previous Accela programming this was a requirement we will verify that it is functioning and correct as needed. When you look at 4.5 it corresponds with 4.3 as well CCFD will work through the CCFD assigned Civil DA through Q4 to get a written process since we don't have that and for guidance on account collections or writing off closed accounts with unpaid and uncollectable accounts.

MICHEAL NAFT

Thank you for being so responsive and for being here today, I appreciate it. Before we enter public comment; Angela I just want to thank you it feels like every time we meet, we are provided with more detailed information. Thank you and your team for doing that, if there is nothing else for the Committee we will move to the next item, public comment.

SEC. 8. PUBLIC COMMENTS

No public comment was made by the general public.

END PUBLIC COMMENTS

SEC. 9. ADJOURNMENT

This meeting was adjourned by Commissioner Naft at 10:15 a.m.

RESPECTFULLY SUBMITTED BY: _____
ANGELA DARRAGH, DIRECTOR OF THE AUDIT DEPARTMENT