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Robert De Los Santos
Fire Marshal
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RE: FINAL AUDIT REPORT Fire Marshal - FY2025

The Dallas County Auditor's Office Internal Audit Division performed procedures for the period October 1, 2024, through September 30, 2025.

The objectives of the engagement were to:

1. Ensure compliance with statutory requirements
2. Evaluate internal controls
3. Verify of accuracy and completeness of reporting
4. Review controls over safeguarding of assets

Overall Results

The audit identified non-adherence to statutory requirements governing fee assessment and collection, property and evidence inventory maintenance, and timely deposit of funds received. Additionally, there were instances of improper use of a County vehicle for personal purposes and travel outside County boundaries, including two days when the employee utilized a full-day of sick or vacation leave.

We appreciate the cooperation of the department and the staff during our review. If you prefer that released reports be emailed to a different (or additional) recipient, please inform me of the name and the change will be made.

Respectfully,

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ISSUED: 5/5/2026
RELEASED: MAY 20, 2026

REPORTABLE FINDINGS

ISS.26-FM-36-01 Computer Receipts and Internal Control Review:

A comparison of 48 computer receipts issued by the Fire Marshal's Office for permits identified multiple exceptions. Two receipts reflected under-collected building permit fees totaling \$62,924. The review also noted seven instances in which a \$25 meter release fee was assessed, even though this fee is not included on the department's approved Fire Code fee schedule. In addition, one building permit did not include square footage information, preventing verification of whether the amount assessed and collected was accurate.

Furthermore, the internal control walkthrough revealed that the administrative assistant collects money, receipts payments, and deposits all funds. Deposits are not reviewed by a second party or supervisor, increasing the risk that errors or irregularities may occur and remain undetected.

Suggested Actions

- Implement a supervisory review of permit fee calculations prior to collection and provide staff training on proper fee assessment to prevent future under-collection.
- Ensure service fees are assessed and collected in compliance with applicable statutes and Commissioners Court orders. Service fees should be accurately reflected on the department's website.
- Establish written cash handling/receipt procedures that emphasize receipts are to be verified for accuracy of amount, payment type, permit/application number, and payor before issuing to a customer.
- Periodically review system reports and daily work for accuracy and staff compliance with established policies and procedures.
- Reconcile funds against the system control total daily. The deposit should be verified by an employee with supervisory rights and submitted daily.

Management Action Plan

The department acknowledges the findings related to permit fee calculations, fee schedule consistency, and segregation of duties. The Fire Marshal's Office recognizes the importance of ensuring all permit fees are accurately assessed and properly documented in accordance with the approved Dallas County Fire Code fee schedule.

Corrective Actions:

- A supervisory review process will be implemented for permit fee calculations prior to collection to ensure accuracy and consistency.
- Staff responsible for permitting and fee collection will receive refresher training regarding approved fee schedules, fee calculations, and required documentation.

REPORTABLE FINDINGS

- The department will review all fees currently assessed to ensure consistency with Commissioner Court-approved fee schedules and website postings.
- Reconciliation procedures will be implemented to align with Dallas County policy.
- Supervisory personnel will periodically review permit files, receipts, and deposits for compliance with established procedures.

Auditor's Response

- None

ISS.26-FM-36-02 Credit Cards:

A review of all 110 credit card transactions posted to the County Wide Receipting (CWR) system identified nine online credit card payments totaling \$831 were receipted to CWR between six and 20 days after the initial transaction occurred.

Suggested Actions

- Review Credit Card Settlement reports against payments posted to CWR daily to ensure all payments are timely posted in accordance with Local Government Code §113.022.

Management Action Plan

The department acknowledges the delays identified in receipting certain online credit card payments into the County Wide Receipting system. The delays were primarily due to reliance on notifications from the Division of Unincorporated Area Services rather than independently monitoring payment activity.

Corrective Actions:

- The department will begin independently reviewing daily credit card settlement reports to verify all online payments are timely receipted and recorded.
- A reconciliation process will be established between payment reports and County Wide Receipting entries.
- Supervisory personnel will conduct periodic reviews to ensure compliance with Local Government Code 113.022 and departmental procedures.
- Backup procedures will be established to ensure continuity during employee absences or high-volume periods.

Auditor's Response

- None

REPORTABLE FINDINGS

ISS.26-FM-36-03 GPS Review:

A review of GPS and Kronos reports for fiscal year 2025 identified 53 instances in which a County vehicle was used for personal purposes. This includes travel on January 29, 2025, a day on which KRONOS records indicate the employee used 8 hours of sick time for the entire day.

The review also identified 11 instances in which a County vehicle was driven outside Dallas County lines without prior approval from the Commissioners Court. This includes travel on March 7, 2025, a day on which KRONOS records indicate the employee used 8 hours of vacation time for the entire day.

Suggested Actions

- Ensure County-owned vehicles are not driven for personal use in accordance with Dallas County Code 90-129.
- Supervisory review and periodic monitoring of County vehicle use with documented records maintained.
- Ensure vehicles are not driven outside County lines without prior approval from Commissioners Court consistent with Dallas County Code Sec. 90-147.
- Verify Kronos time entry records accurately match GPS reports.

Management Action Plan

The Fire Marshal's Office acknowledges the concerns identified regarding vehicle monitoring and documentation procedures and will implement additional supervisory review measures to ensure consistency with County reporting expectations.

Corrective Actions:

- Supervisory personnel will conduct periodic reviews of GPS activity reports and Kronos records to ensure property documentation of County vehicle usage.
- Written guidance will be provided regarding County vehicles usage, travel outside County boundaries, and documentation requirements.
- Requests for travel outside Dallas County, when applicable and required, will be documented through the appropriate approval process.
- Additional internal review procedures will be implemented for assigned command staff vehicles.

However, the department respectfully disagrees with the inclusion of the 53 identified instances as improper personal use of a county vehicle.

REPORTABLE FINDINGS

The Fire Marshal's Office is required to maintain operational readiness and respond to emergencies, investigations, interagency coordination, and critical incidents at any time, including outside standard business hours, while on leave status, and during after-hours operations. Due to the nature of assignments, vehicle usage associated with maintaining readiness and response capability should not be classified as personal use.

Additionally, Fire Marshal vehicles are used in connection with duties directly related to public safety operations, emergency management responsibilities, law enforcement coordination, and Fire Marshal functions. As such, the department respectfully requests that the 53 identified instances be removed from the audit findings as they are operationally connected to the requirements of a continuous 24/7 on-call position and do not constitute personal use as described in the report.

The department will continue reviewing procedures to ensure operational vehicle usage is appropriately documented and aligned with County policy expectations.

Auditor's Response

Fire Marshal vehicles may be designated as qualified non-personal use vehicles (QNLV) under the Code of Federal Regulations Title 26 Section 1.274-5(k)(3). The use of these vehicles for personal purposes under both the Federal Regulations and Dallas County Code Sec 90-129 is expected to be de minimus (infrequent, minimal, and brief in duration), including commuting and travel to and from lunch within the course of official County business. The department was requested to provide information as to the County business purpose surrounding the 53 instances identified. Sufficient supporting information as to the County business purpose of the identified instances was not provided.

ISS.26-FM-36-04 Property/Evidence Inventory:

A sample review of the property/evidence room, including the department's evidence logbook identified cash totaling \$2,099 has not been released to the appropriate party or deposited with the County Treasurer. Additionally, five items observed in the property/evidence room were not listed in the evidence logbook and one item was missing the date the item was received.

Suggested Actions

- Ensure all property and evidence funds received are promptly deposited in accordance with Local Government Code §113.022 and Code of Criminal Procedure Art. 18.17(h).
- Periodically reconcile items in the property/evidence room with entries made in the evidence logbook and the Record Management System.
- Maintain accurate records of all book-in and property room items on the inventory list, including details such as the quantity, location, and serial number for each item.

REPORTABLE FINDINGS

- Maintain an updated disposal inventory list with the date and manner in which items have been disposed.
- Ensure supervisory review and approval of all abandoned property and evidence items that are logged, disposed, or returned evidenced by signature and date.
- Periodically review and update policies and procedures for inventory, chain of custody, and securely storing, reviewing, and recording deposited cash.

Management Action Plan

The department notes that the identified discrepancies were associated with historical evidence tracking and documentation practices that relied on both manual and electronic recordkeeping systems. During the review period, property and evidence items remained secured within the department's evidence/property room and under departmental custody and control.

Certain property and cash items remained in secured storage pending clarification regarding ownership, case disposition, release authority, or final processing requirements. Additionally, variations existed between the physical inventory, manual logs, and electronic records due to differing tracking methods utilized over time.

The department also notes that evidence and property management responsibilities have transitioned among personnel over multiple operational periods, resulting in variations in documentation formats and inventory tracking methods. At no time was there evidence indicating theft, intentional misuse, or loss of evidence or funds. All identified items remained physically accounted for during the review process.

Moving forward, the department will implement enhanced reconciliation, supervisory review, and standardized documentation procedures to ensure consistency between physical inventory records, evidence logs, and record management system.

Corrective Actions:

- A complete inventory reconciliation of all property and evidence items will be conducted against the evidence logbook and Record Management System.
- Written cash handling and receipt procedures will be developed and implemented to strengthen internal controls and accountability.
- Procedures will be implemented to ensure all evidence and property items are properly documented with dates received, quantities, serial numbers, and storage locations.
- All funds received will be promptly receipted and deposited in accordance with Local Government Code 113.022 and applicable Code of Criminal Procedure 113.022 and applicable Code of Criminal Procedure requirements.

REPORTABLE FINDINGS

- Supervisory review and approval procedures will be implemented for evidence intake, release, disposal, and inventory reconciliation.
- The department will establish periodic evidence room audits and inspections to ensure compliance with inventory and chain of custody requirements.
- Existing policies and procedures related to evidence handling, storage, disposal, and cash management will be reviewed and updated as necessary.
- The department will evaluate staffing assignments and supervisory oversight responsibilities associated with evidence and property management functions to improve accountability and consistency.

The Fire Marshal's Office remains committed to improving documentation procedures, strengthening internal controls, and ensuring continued compliance with applicable statutes and County policies.

Auditor's Response

- None

cc: Darryl Martin, County Administrator

The report is intended for the information and use of the agency/department. While we have reviewed internal controls and financial reports, this review will not necessarily disclose all matters of material weakness. It is the responsibility of the department to establish and maintain effective internal control over compliance with the requirements of law, regulations, and contracts applicable to the department.