



COUNTY OF EL PASO  
OFFICE OF THE COUNTY AUDITOR

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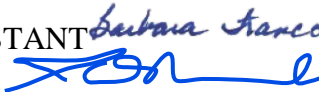
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04-16

MEMORANDUM

TO: NORMA RIVERA PALACIOS, PUBLIC WORKS DIRECTOR

THRU: EDWARD A DION, COUNTY AUDITOR 

THRU: BARBARA FRANCO, FIRST ASSISTANT 

THRU: JAMES O'NEAL, COUNTY AUDITOR MANAGER, SENIOR

FROM: RUTH BERNAL, INTERNAL AUDITOR 

DATE: APRIL 22, 2020

SUBJECT: UTILITY AUDIT ISSUES RELATED TO PUBLIC WORKS DEPARTMENT

While performing an internal audit of utility payments, we identified three issues requiring help from the Public Works Department for resolution. The audit report was issued to the GL and Disbursements Reporting Audit Division management and shared with the Administrative District Judge. This memo is in addition to that report and includes only items that require cooperation and action by Public Works.

1. A sample of departments were emailed a list of utility accounts (water, gas, electric, cellular accounts and phone lines) to be confirmed by the department. Five departments did not recognize phone lines or were trying to verify the location of the lines (a total of 35 lines). Some of the lines may be related to alarm systems.

The auditor contacted Facilities to inquire about phone lines related to alarm systems. However, it was explained that there is not an official list that identifies which telephone lines are used by alarm systems. This information is crucial in ensuring all telephone lines are properly accounted for. If a line is not properly identified as being used for an alarm system, it could be disconnected and compromise the security system. If lines are not alarm system lines, the County could be paying for lines that are not in use and should be disconnected.

We recommend the Facilities division identify alarm system phone lines and create and maintain a master list for future reference. The 35 lines currently unidentified by departments is attached. Please evaluate whether the lines can be disconnected or if they are attached to an alarm service.

2. While reviewing the Sheriff Department's gas payment transactions, 23 months of gas service were paid on February 1, 2019. Upon inquiry, it was explained that upon completion of a construction project at the Sheriff's Jail Annex, the construction company transferred the account to the County without informing the GL and Disbursement Reporting Audit division. The GL and Disbursement Reporting Audit division was not aware of the account until the Sheriff's department received a notification of service disconnect due to non-payment.

It is crucial that all utility accounts opened or closed be communicated to GL and Disbursement Reporting Audit division (formerly Accounts Payable) to ensure proper documentation and timely payment. All new accounts should also be set up for bills to be sent to the County Auditor's office.

We recommend procedures to effectively communicate the opening and closing of all County utility accounts to GL and Disbursement division. These procedures should be included in the El Paso County Building Standards and Space Allocation Policy which requires all requests for the allocation, assignment, designation, renovation, modification, alteration, or expansion of existing space, and any changes thereof, to be processed through the Facilities division of the Public Works Department.

3. Meter number 105140079 from Electric account number 0770655522 was not located. Internal Audit division contacted El Paso Electric Company for the location of a two account meters, they located one and the account mentioned above is still pending to be located.

Furthermore, Internal Audit division also contacted the El Paso Electric Company to inquire about the location of the accounts listed below since these bills don't have meter numbers:

<u>Account number</u>	<u>Description</u>
1628510000	Walk Signals 2 UNIT El Paso TX. 79928
0628510000	Led Trfc Signal 4 HEAD El Paso TX 79928
9528510000	Led Trfc Signal 3 Head El Paso TX. 79928

The following addresses were provided, but didn't indicate to which accounts they corresponded.

Mission Ridge & Pellicano  
East Lake & Rojas  
East Lake & Emerald  
Darrington & Eastlake  
Pellicano & Sun Fire

El Paso Electric Company also indicated that Road and Bridge has that information. Road and Bridge explained they have the location of the electric services, but they don't have the corresponding accounts.

Below are other electric accounts that do not have meters nor were we able to determine the location of the services:

<u>Account number</u>	<u>Description</u>
4382903984	110W LED ENERGY ONLY
9236214736	135W LED ENERGY ONLY
1947719500	32W LED ST LT ENERGY
1232844200	50W LED ENERGY ONLY
3628510000	TRAFFIC CONTRLR 30WAT

It is very important utility accounts be properly identified by location of service. If utility accounts are not properly identified, the County could be paying for accounts that do not belong to the County or the account is not needed and should be closed. It is fundamental that an effective communication system be established between departments for this information to be available for use in future payment decisions.

We recommend Road and Bridge research and identify the location of the electric accounts specified and communicate such information to GL & Disbursements Reporting Audit.

Your cooperation in these matters would be greatly appreciated. Please coordinate with Mr. Luis Martinez, GL and Disbursements Reporting Audit. We would also appreciate a response with expected completion dates. If you have any questions or you would like to meet to discuss this matter further, please let us know.

RB:ya

cc: Mr. Luis Martinez, County Auditor Manager