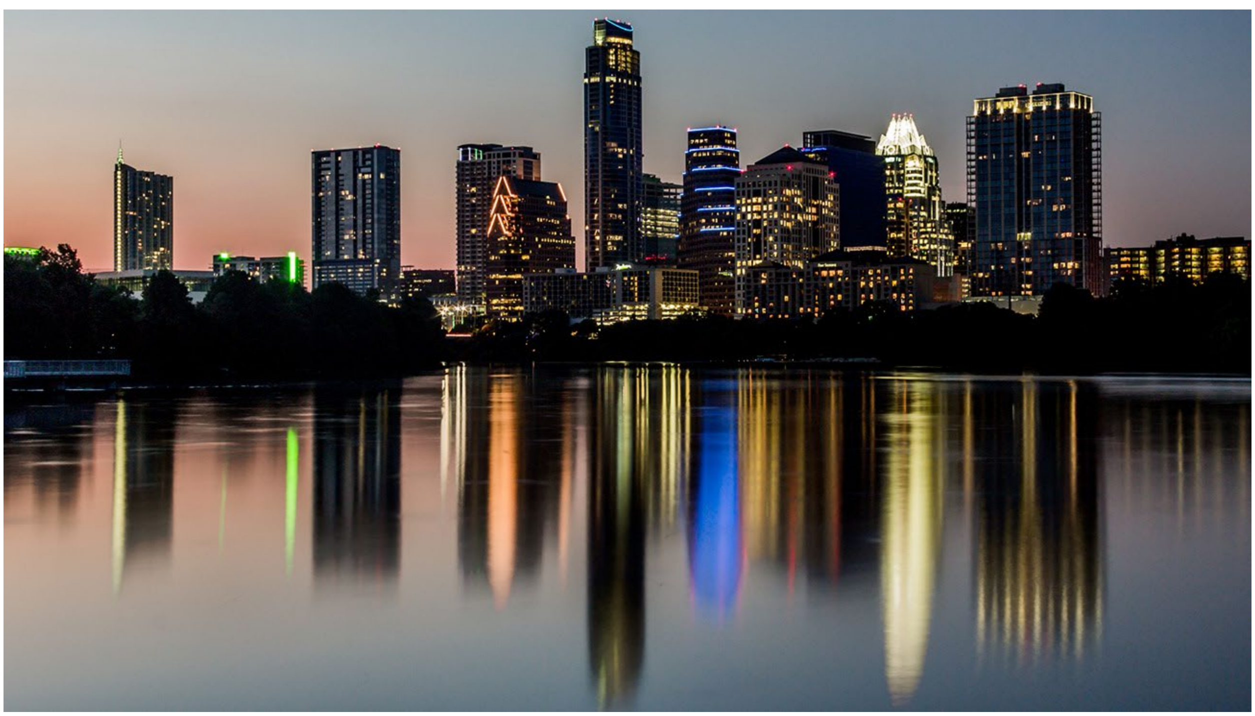
Emergency Service District 6 Subrecipient Monitoring Report

June 15, 2026



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To: Robert B. Abbott
Fire Chief, Travis County Emergency Services District No. 6

Charles Brotherton
County Executive, Emergency Services

From: Patti Smith, CPA
Travis County Auditor

Date: June 15, 2026

Subject: Travis County Emergency Services District No. 6 Subrecipient Monitoring Report

In compliance with the Code of Federal Regulations Title 2 Part 200 Subpart D §200.332 requirements for pass-through entities and the Interlocal Cooperation Subaward Agreement between Travis County and Travis County Emergency Services District No. 6 (ESD6), the Travis County Auditor's Office has completed grant monitoring of federal grant subrecipient ESD6. We conducted our monitoring in accordance with the Code of Federal Regulations and applicable statutes governing the County Auditor's Office and those relating to state financial and accounting protocols. As a result of our monitoring, we are providing this report detailing our findings and recommendations.

BACKGROUND

Travis County is in receipt of funds from the United States Department of the Treasury under the American Rescue Plan Act ("ARPA"), signed into law on March 11, 2021. Section 9901 of ARPA establishes the Coronavirus State and Local Fiscal Recovery Fund ("SLFRF"). The SLFRF is intended to provide support to local governments, such as the County, in responding to the continuing impact of COVID-19 on Travis County communities, residents, and businesses.

On April 20, 2023, the Travis County Commissioners Court ("Commissioners Court") approved the allocation of SLFRF funds in the amount of $5,335,504 for purposes of funding or reimbursing Travis County Emergency Services Departments for qualifying equipment purchases, including (1) Motorola Public Safety radio communication equipment capable of supporting the required encryption functionality as outlined in the grant ("MPS radios"), and (2) Mobile Data Computers ("MDC"s) (collectively referred to as "Qualifying Equipment").

Travis County and the Emergency Service Districts have a mutual interest in and responsibility for equipping ESDs with updated communication equipment and software which will aid in improving the ESD's response time to emergencies in Travis County and better protect the public health and safety of its residents. This equipment will also protect the privacy of communications made to and from ESDs during emergency responses. To meet these responsibilities safely and efficiently, Travis County and the Emergency Service Districts acknowledge the need for collaboration and assistance related to communications. As a result, Travis County established an Interlocal Cooperation Subaward Agreement with ESD6 to equip their district with MPS radios and MDCs.

EXAMINATION METHODOLOGY

Our monitoring methodology was based on reviews of office records, physical inventories, and on verbal and written representations from ESD6. This review encompassed an evaluation of all supporting documentation submitted with reimbursement requests, a physical inventory of equipment purchased using SLFRF funds, and verification of compliance with the requirements outlined in the subrecipient agreement and 2 CFR Part 200. Regarding the written and verbal representations made by the ESD6, unless otherwise noted in this report, office management maintains that the assertions we relied upon in the examination were correct to the best of their knowledge.

SCOPE OF EXAMINATION

The scope of the monitoring visit included an assessment of ESD6's overall grant compliance for the period of October 1, 2021, through June 30, 2025. The assessment included a review of the adequacy and effectiveness of the overall system of controls in place as required by the Code of Federal Regulations (2 CFR 200) and the Interlocal Cooperation Subaward Agreement (4600000853).

SUMMARY OF FINDINGS & RECOMMENDATIONS

During our review of ESD6, we noted areas of concern with asset tracking and policies and procedures.

ATTACHMENT

Attachment A: This attachment contains the details of our findings for this monitoring visit, including the significance of the areas of concern, recommendations to the Fire Chief and office management, and responses by office management.

EXAMINATION TEAM

Angel Candelario, Senior Auditor
Ely Allen, Lead Auditor
Bailey Alvarez, Staff Auditor
Frank Williams, Staff Auditor

CLOSING

This report is intended solely for the information and use of your office and the Commissioners Court. We appreciate the cooperation and assistance received from the management and staff of ESD6 during this examination. Please contact us if you have any questions or concerns regarding this report.

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David Jungerman
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Chief Assistant County Auditor II – REC Division

Signed by:
Patti Smith
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Patti Smith, CPA
Travis County Auditor

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Risk Assessment File

ATTACHMENT A - FINDINGS AND RECOMMENDATIONS

1. Asset Tracking

ESD6's inventory contained 153 total assets purchased with grant funds. We performed a physical asset verification on 97 assets (42 portable radios, 19 mobile radios, and 36 mobile data computers) to assess ESD6's asset tracking processes. This assessment revealed the following:

- Portable Radios - Of the 42 radios reviewed, 40 were physically verified, one was verified digitally. One radio had a serial number listed on the invoice (581CXM0480) that did not match the serial number of the radio received (581CXM0421).

- Mobile Radios - Of 19 radios, 13 were physically verified, two were at the repair shop, and four were verified digitally. One radio with serial number 681CYV3358 was tagged but had not been recorded in the inventory system.

- Mobile Data Computers (MDCs) – All 36 MDCs were physically verified. An MDC with serial number 24689250759, assigned to Engine 601, was temporarily installed in Engine 609 while Engine 601 was under repair. There was no record in the inventory system that the MDC had been temporarily reassigned to Engine 609. In addition, MDCs 35633628615 and 35512696263 were tagged but had not been recorded in the inventory system.

Significance:
Inaccurate or incomplete asset records increase the risk of equipment misidentification, loss, or misappropriation. Failure to record assets in the system may also result in incomplete financial or operational reporting. In addition, tracking assets through the end of their useful life is critical to ensure their disposal complies with federal regulations.

Recommendations:
During the onsite inventory, ESD6 added the mobile radio and the MDCs to their inventory system. We recommend that ESD6 enhance its inventory management procedures to include periodic reconciliation between physical assets, system records, and repair logs to prevent future discrepancies. These procedures should also outline detailed methods for equipment disposition, retention requirements, and the maintenance of appropriate supporting documentation. In addition, we recommend that ESD6 contact the manufacturer to ensure their records reflect the correct serial number 581CXM0421 for the portable radio received to avoid potential issues related to warranty coverage or future repairs.

Plan of Action Response:
ESD6 has implemented a quarterly asset inventory process to ensure all devices are properly documented, accurately assigned to their respective locations, and fully accounted for throughout their lifecycle. This process allows ESD6 to maintain current inventory records, improve accountability, and identify discrepancies in a timely manner.

Additionally, as recommended by the auditors, ESD6 has updated our asset management procedures to include tracking of End-of-Life (EOL) information within the system. This includes documenting the date each item is designated as EOL, as well as maintaining records of the vendor responsible for the disposal or recycling of the equipment. By incorporating this information into our inventory process, we are strengthening asset tracking, improving compliance with disposal requirements, and ensuring a clear chain of documentation for retired equipment.

2. Lack of Effective Policies and Procedures

We reviewed ESD6's documented policies and procedures, evaluating their compliance with the requirements of 2 CFR 200 and the ILA. This assessment revealed that ESD6's policies and procedures were deficient in the areas detailed below:

- Procurement – did not identify provisions addressing contracting with small businesses, minority businesses, women's business enterprises, and veteran-owned businesses. They also did not include procurement of recovered materials, contract cost and price analysis, federal agency or pass-through entity review, bonding requirements, and contract provisions as outlined in 2 CFR 200.317-327.

- Record Retention – documents provided lacked detailed procedures relating to methods for collection and storage of records, did not include procedures relating to requests for, transfer of, methods for transmission of, and access to records, and did not provide for record retention after final disposition of equipment as outlined in 2 CFR 200.334-338.

- Cost Principles – did not identify provisions addressing cost principles as outlined in 2 CFR 200 Subpart E.

- Real Property – did not identify provisions addressing real property and equipment requirements as outlined in 2 CFR 200.310–316.

Significance:
The requirements for documented procedures in 2 CFR 200 may not apply to the work being performed by ESD6 in their regular course of business or in their communications equipment enhancements. However, the federal government expects compliant policies and procedures to be in place regardless, making ESD6 noncompliant with these federal requirements.

Recommendations:
We recommend ESD6 conduct a review of their current policies and procedures and update them to ensure full compliance with grant terms and 2 CFR 200 requirements.

Plan of Action Response:
ESD6 will implement a formal compliance initiative to establish and document policies and procedures necessary to meet federal grant requirements under 2 CFR 200.310-338 and Subpart E. ESD6 anticipates completing development, review and implementation during the current calendar year, with procedures applied prospectively to all applicable federal awards.