



# AUDIT REPORT



**DATE** July 29, 2020

**NO.** 2020-002

## FOLLOW-UP EMERGENCY GENERATORS

(ORIGINAL REPORT NO. 2018-003 ISSUED JULY 24, 2018)

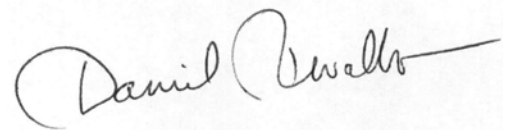
INTERNAL AUDIT DIVISION  
ROGER D. EATON  
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER  
CHARLOTTE COUNTY FLORIDA

Honorable Roger D. Eaton  
Charlotte County Clerk of the Circuit Court and Comptroller  
350 East Marion Avenue  
Punta Gorda, Florida 33950

We have completed a follow-up audit of Emergency Generators (Original Report No. 2018-003 issued July 24, 2018). The purpose of this follow-up was to ensure comments and recommendations of the original audit were adequately addressed.

The report details the original audit comments, recommendations, and follows up on the original responses provided. Follow-up was accomplished thru inquiries and observations of evidence. Management response has been included and immediately follows the audit report.

Respectfully submitted,

A handwritten signature in black ink that reads "Daniel Revallo". The signature is written in a cursive style with a long horizontal line extending to the right.

Daniel Revallo  
Internal Audit Director

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## EXECUTIVE SUMMARY

The Internal Audit Division performed a follow-up audit of Emergency Generators.

Follow-up audits are limited to the comments and recommendations made in the Emergency Generators Report dated July 24, 2018. This follow-up considers the responses documented and any subsequent corrective actions taken or delegated.

This follow-up audit report will conclude the original audit, as it pertains to Emergency Generators.

The status of any corrective actions will be assigned as follows:

**OPEN** – Corrective action has not been taken to adequately address the original audit comment.

**OPEN/PARTIALLY COMPLETED** – Corrective action has started but has not adequately addressed the original audit comment.

**CLOSED** – Corrective action has been taken to adequately address the original audit comment.

### **Original Audit Comments and Status of Corrective Actions**

#### **OPEN/PARTIALLY COMPLETED**

- The County does not have a system in place to monitor the life cycle of its Emergency Power Supply system.

#### **CLOSED**

- Generator operating policies and procedures should be revised to comply with NFPA Standards and communicated with departments.
- Noncompliance with NFPA Level 2 Standards.
- Noncompliance with the Generator Maintenance Contract by Charlotte County Generators, LLC.

## BACKGROUND

Charlotte County currently owns and operates 97 emergency generators (there were 90 at the time of the original audit). The emergency generator, or Emergency Power System (EPS), is an integral part of the Emergency Power Supply System (EPSS), which is a complex subsystem where all components are required to deliver electricity in an emergency.

EPSSs backup utilities to critical building systems during emergencies. System reliability is critical. Testing, inspection, and frequent maintenance (TIM) practices ensure the system will perform as intended in an emergency. The installation and performance requirements are outlined in the National Fire Protection Association (NFPA) Standards. These cover installation, operation, maintenance, and testing.

During the original Emergency Generator Audit in 2018, the County contracted with Charlotte County Generators, LLC, to perform repairs and preventative maintenance at six-month intervals. The contract did not cover everything required by NFPA standards, as there was monthly maintenance and testing needed to comply with standards. Since that time, the County now has contracted with Cummings. Also, all bids are now based off of the Codes for NFPA Level 2 Standards. Each location performs their own monthly inspections in order to stay in compliance and Cummings does the Annual Audits/Inspections.

### AUDIT OBJECTIVES

The purpose of the follow-up audit was to determine if the proposed corrective actions documented in response to the four (4) comments and/or recommendations reported, within the Emergency Generator Audit Report No. 2018-003, were adequately and timely implemented and/or resolved.

### SCOPE AND METHODOLOGY

The follow-up audit included a review of the following items that were to be corrected:

- Having Standard Operating Procedures consistent across the County for Emergency Generators that comply with National Fire Protection Association (NFPA) Level 2 Standards.
- Being in compliance with NFPA Level 2 standards with inspections
- Implementing a Facilities system for the County as whole to monitor the life cycle of the Emergency Power Supply Systems
- Correcting the non-compliance of Charlotte County Generators, LLC with the maintenance contract.

The scope of the follow-up audit included a review of comments, recommendations and responses documented within the Emergency Generators Audit Report No. 2018-003

The methodology of this review included discussing findings, recommendations and responses reported.

### COMMENTS, RECOMMENDATIONS AND FOLLOW-UP AUDIT RESULTS

- 1. Generator operating policies and procedures should be revised to comply with NFPA Standards and communicated with departments.**

**We recommend** including the appropriate NFPA standards in the contract and communicating these requirements with departments.

**Original Response:** “Facilities will implement a County wide uniform Standard Operating Procedure (SOP), for consistency and accountability.”

**Status of Corrective Action: CLOSED**

**2. Noncompliance with NFPA Level 2 Standards.**

**We recommend** the County ensures compliance with the appropriate level of NFPA Standards.

**Original Response:** “All generators will comply with NFPA Level 2 Standards through a Preventative Maintenance Schedule which will be implemented and given to the contractor to keep the inspections on track and maintain accountability for compliance.”

**Status of Corrective Action: CLOSED**

**3. The County does not have a system in place to monitor the life cycle of its Emergency Power Supply Systems.**

**We recommend** the County implement a system to monitor the life cycle of its EPSSs.

**Original Response:** “Facilities implemented an asset management software program which captures life cycles and provides timeframes to which these generators are to be replaced. Facilities will add any missing generators within the current FOS Asset Management System. Life Cycle will be evaluated on BOMA and other standards set in years of life expectancy for each system which vary from 20 to 30 years.”

**Status of Corrective Action: OPEN/PARTIALLY COMPLETED**

**Auditor Comments:** Cityworks, the new work-order system, does give a life expectancy of the machinery. The County has a Consultant who is manually entering the older Emergency Generator Units. It will be a couple of years, however, before the new work-order system is fully functioning.

**4. Noncompliance with the Generator Maintenance Contract by Charlotte County Generators, LLC.**

**We recommend** the County review the Charlotte County Generators contract to comply with responsibilities and review documentation related to maintenance and repair charges.

**Original Response:** “The subcontracted work under the generator contract is consistent with and a widespread practice within purchasing procedures and in compliance with contract terms. Facilities will request more detailed invoices to show what the labor was charged for both generator contractor and any subcontractor so there is more transparency of the invoiced costs.”

**Status of Corrective Action: CLOSED**

## ACKNOWLEDGEMENT

We would like to thank the Facilities Department and various County Departments with EPSSs for their assistance in the completion of this audit.

Follow-up Audit performed by:

Amy R. Grant

Internal Auditor

Charlotte County Clerk of Court and Comptroller



To: Dan Revallo, Director of Internal Audit Clerk of Courts  
From: Anthony Maddox, Director of Facilities Construction & Maintenance  
Date: June 22, 2020  
Subject: Response to Emergency Generator Follow-up Audit Report

**Item #3: The County does not have a system in place to monitor the life cycle of its Emergency Power Supply Systems.**

**Response:** Facilities has begun to implement our new asset management software program, City Works, which will capture generator life cycles and provides timeframes to which generators are to be replaced. The system will be fully operational within fiscal year 2021; however, lifecycle management and analysis will not take place until fiscal year 2022.



