

Audit Highlights



Highlights of performance audit report on the Nevada Highway Patrol issued on November 19, 2015. Legislative Auditor report # LA16-05.

Background

The Nevada Highway Patrol (NHP) is a division of the Department of Public Safety (DPS). Its mission is to promote safety on Nevada highways by providing law enforcement and traffic services to the motoring public. NHP is located in Carson City, with regional offices in Elko, Las Vegas, and Reno. In fiscal year 2014, NHP had 573 legislative authorized full-time positions. Of these 573 positions, 484 are commissioned officers, and 89 are civilians. NHP is primarily funded by Highway Fund appropriations. Actual expenditures for fiscal year 2014 totaled \$76.7 million, with personnel costs accounting for 66% of the total.

NHP responsibilities include patrol operations, commercial enforcement, and support services. NHP is the primary authority for enforcing laws and regulations on highways across the State of Nevada. The Commercial Enforcement team promotes safe travel for commercial vehicles and school buses. Personnel certified to conduct mechanical safety inspections ensure school buses meet minimum safety specifications established by the State Board of Education. NHP is also responsible for issuing hazmat permits to carriers transporting hazardous materials.

Purpose of Audit

The purpose of this audit was to determine if certain administrative controls related to school bus inspections, fuel procurement cards, inventory, and the hazmat permit issuing process are adequate.

The audit focused primarily on NHP activities from fiscal year 2014 and some activities related to bus inspections and inventory practices during fiscal year 2015.

Audit Recommendations

This audit report contains three recommendations to improve the school bus inspection program. In addition, four recommendations were made to improve administrative controls over hazmat permits, fuel cards, and self-reported inventory.

NHP accepted the seven recommendations.

Recommendation Status

The Division's 60-day plan for corrective action is due on February 19, 2016. In addition, the six-month report on the status of audit recommendations is due on August 19, 2016.

Nevada Highway Patrol

Department of Public Safety

Summary

Although the Nevada Highway Patrol's (NHP) efforts to conduct mechanical inspections of school buses have been adequate, the process can be improved. NHP inspects approximately 2,470 school buses twice a year across the State to detect out-of-service conditions. These conditions include mechanical and emergency equipment safety defects. Our review of 60 school bus inspections found that almost all recommendations made by NHP were corrected by the various school districts selected in our sample. However, NHP can enhance the results of its efforts by inspecting vehicles such as vans and smaller buses, which are also used to transport pupils, and reporting inspection results to the school districts' superintendents in accordance with state law. The inspection of all vehicles used in the transport of pupils and reporting the inspection results may prevent pupil injuries during transport to and from school related events.

NHP can strengthen administrative practices for the hazmat permit issuing process to ensure compliance with state regulations. Our testing identified that out of 67 vehicles, 16 were issued multiple permits in violation of state regulations. Furthermore, NHP does not have a written contract specific to the issuance of hazmat permits. NHP also needs to improve controls over fuel cards. We found active fuel cards for individuals no longer employed by NHP, two of which incurred charges after the cardholder transferred into another division of the Department. Lastly, NHP lacks controls over the self-reporting inventory process. For example, we found that the self-reported inventory is not verified in accordance with NHP operating practices.

Key Findings

NHP's efforts to inspect school buses resulted in out-of-service conditions being addressed. We visited 12 school bus yards throughout the State to verify observable repairs, such as inoperable window latches, horns, mirrors, inaccessible or missing first aid kits, and unsecured seats. We found that not all vehicles used to transport pupils are inspected as required by NRS 392.400. There are about 155 vans and other vehicles, besides buses, used to transport pupils across the State that need to be inspected. In addition, the school bus inspection results are not reported to the school district superintendent. Pursuant to NRS 392.400, NHP shall make written recommendations to the school district superintendent for the correction of any defects discovered during the inspection. Furthermore, NHP does not have operating standards for the school bus inspection program. Inspectors rely on the State Board of Education Out-of-Service criteria; however, this document only provides standards for placing a bus out of service. Additional guidelines are needed to ensure the inspections are conducted the same across the State and in accordance with NHP's operating standards. (page 4)

NHP does not have adequate controls over the single-trip hazmat issuing process. The Division is responsible for issuing permits for the transportation of hazardous material throughout the State. There are three types of permits issued by NHP: an annual permit for multiple vehicles, a 72-hour single-trip hazmat permit for a single vehicle, and an emergency 15-day permit. A total of 97 single-trip 72-hour hazmat permits were issued to 67 vehicles between January 1, 2014, and June 30, 2014. We found that 16 of these vehicles or 24% were issued multiple permits within a 3-month period, which is a violation of state regulation. Pursuant to NAC 459.984, temporary hazmat permits are limited to one every 3 months per vehicle. This reduces the risk of hazmat incidents. Further, NHP does not have a contract with the vendor issuing the temporary hazmat permits. (page 9)

NHP does not have an adequate process to identify when employees with fuel cards leave the Division. Our review of 454 total active fuel cards identified 23 active cards for individuals no longer employed by NHP. Out of the 23 active cards, 2 incurred charges after the cardholders transferred to another division of the Department. (page 11)

NHP lacks controls over the self-reported inventory process. This process was implemented as of January 2015 for employees to self-report their inventory via an electronic questionnaire stored on a third-party website. We tested the self-reported process and found it to be effective; however, additional controls are needed to ensure the integrity of the self-reported data and to reduce the risk that errors and theft could occur and go undetected. Finally, NHP's inventory procedures are outdated and do not reflect the self-reported inventory process, including the safeguarding of information on a third-party website. (page 12)