



Wildfire Forensics Accounting

Medical Expert Witness No. 285

Wildfire Forensics Accounting is a specialized practice requiring knowledge and experience in wildfire suppression, combined with experience in the administrative infrastructure of the involved agencies. While Wildfire Forensics Accounting is similar to Forensics Accounting in that common accounting practices are used, the use of common Forensics Accounting will not provide productive results. Each wildfire agency operates under a unique set of rules and procedures that are generally revised on a regular basis and all purchase and procurement documents must be evaluated against those specific rules and procedures.

In this particular case, the landowner received a letter of demand from a governmental fire agency totaling \$14 million for suppression costs related to a negligent fire. To understand how the \$14 million was spent, the daily operational documents that described personnel and resource assignments and activities were reviewed. Reviewing the daily operational documents assists in determining if expenditures were commensurate with fire suppression activities. In addition, this review identified specific notations and tracking information that would be useful during the review of accounting documents.

Detailed review of more than 7000 procurement and fiscal documents was accomplished by comparing each individual document to that particular agencies rules of procurement and procedures. In essence, was each document completed according to agency requirements and were required supporting documents included and completed properly. For example, a bull dozer transport may not be kept on the payroll unless there is a letter from the Incident Commander or the transport is included in the daily operational document. In another instance, overnight lodging requires a "signup sheet" with specific information for each individual. The absence of those details or the failure of the individual to sign the sheet invalidates the payment for lodging. In several instances documents were copied and submitted with revised dates, therefore there were no "original" documents. In other instances, other agencies who were involved in suppressing the fire submitted billing documents that could not be specifically identified as to purpose or validity.

Of the \$14 million being billed to this landowner, the Wildfire Forensics expert determined that approximately \$6 million was inappropriately included in the \$14 million package. This does not mean that the wildfire agency fraudulently billed the landowner, but that \$6 million of purchases and payments were based upon a lack of complete and accurate

documentation. Many of these expenditures were appropriately related to necessary fire suppression expenditures, however, when

procurement and purchasing don't comply with their own agency rules, the expenditures are invalid. The case settled for \$8 million.

[View CV for Expert No. 285](#)

[Return to Winter 2011 Newsletter](#)

Reprinted with permission from Author 800-683-9847

[Home](#) | [Find an Expert Witness](#) | [Request an Expert Witness](#)
[Be our Expert Witness](#) | [Feedback](#) | [About Us](#) | [Links](#)