

DRAFT

**ESCAMBIA COUNTY -
VOLUNTEER FIRE DEPARTMENT**

INTERNAL AUDIT REPORT

June 7, 2007

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INTERNAL AUDIT REPORT

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PURPOSE

Pursuant to Article V, Section 16 and Article VIII, Section 1(d) of the Constitution of the State of Florida, the Clerk of the Circuit Court and Comptroller is the Constitutional Auditor for Escambia County, Florida, and is responsible for conducting periodic audits of operations under the Board of County Commissioners. Upon request of the Clerk and Comptroller, we conducted a review of policies, procedures, and recent payments related to the Stipend Program in place for Volunteer Firefighters in Escambia County.

BACKGROUND

Except for the incorporated area of the City of Pensacola, the citizens of Escambia County (the “County”) are primarily provided fire protection by a system of volunteer fire departments throughout the County. Each volunteer fire department operates independently; however, the County provides most facilities and equipment. Also, the County provides other services such as training. In 1997, Escambia County entered into individual agreements with Volunteer Fire Departments. These agreements included the payment of stipends to volunteer firefighters who perform more than minimal services and who incur personal expenses. Currently, the County is making stipend payments to volunteers at 15 different fire departments.

When a volunteer contracts with an individual fire department to perform services as a firefighter, he or she is required to sign an “Agreement of Understanding Between the Individual Firefighter and the Fire Department” which delineates the responsibilities of the volunteer and the fire department. Included in that agreement is Attachment B which is titled “Volunteer Firefighters Association Standard Operating Guidelines for the Administration of the Stipend Program of Escambia County.” This attachment was last amended in 2005 with an effective date of October 1, 2006. It lists the requirements to receive monthly stipend payments for each rank of the department. A copy of this document is included as an attachment to this report.

Volunteer firefighters are paid stipends based on a number of eligibility criteria. The eligible payment amounts are broken down by rank. The criteria are generally based on the completion of certain training programs, the attendance at monthly training meetings, response to an adequate number of calls during the month, and years of service as an Escambia County firefighter.

One of the primary criteria for receiving increased stipend amounts is the attainment of Firefighter I status. In 2003, the State of Florida amended Florida Statutes Section 633 and the Florida Administrative Code Section 69A to require that all firefighter employees, including volunteer firefighters be certified in the State as a Firefighter I or Firefighter II as defined in Florida Statutes. To be certified as a Firefighter I, an individual must complete a 160 hour training course, and successfully pass a written examination administered by the State Fire Marshal. Volunteers who have not been

BACKGROUND (Continued)

Firefighter I certified are by law not permitted to be in the Exclusionary Zone at the scene of a fire. The Exclusionary Zone is defined as the area immediately around the incident where serious threat of harm exists, which includes the collapse zone for a structure fire. Entry into such zone would require the use of breathing apparatus and protective clothing.

SCOPE AND PROCEDURES

The primary objective of our audit was to test stipend payments made to individual volunteer firefighters since the effective date of the new Standard Operating Guidelines which was October 1, 2006. We tested the payments for the months of October 2006 through February 2007. Our procedures did not verify years of service, nor did we verify compliance with the number of drills and calls required for a stipend payment. We focused our procedures simply on the documentation of required training programs.

Testing consisted of reviewing a spreadsheet prepared by the Volunteer Firefighters Association (the "Association") which documented the dates that individual firefighters received various certifications. In order to test that spreadsheet, we examined copies of the certifications reported on the spreadsheet.

We also made site visits to five fire stations and reviewed operating procedures related to the stipend program, including the maintenance of firefighter records.

OVERALL EVALUATION

As a result of the internal audit, we noted stipend payments are being made that are not in accordance with the Standard Operating Guidelines. Incorrect payments were made at each Department, for each month reviewed, and for a majority of the individual firefighters. The greatest dollar amounts of discrepancies were at the senior ranks. We have estimated that an amount in excess of \$50,000, of all payments during our test period, were overpayments.

Additionally, the volunteer fire departments have an unacceptable percentage of firefighters who have attained at least the Firefighter I certification as required by State law. Our procedures indicate the number of volunteer firefighters who have attained the minimum Firefighter I or the advanced Firefighter II certification to be approximately 42% of the total number of volunteer firefighters. The fact that not all firefighters have reached at least the Firefighter I status could potentially put the County at a risk of liability. This situation should be corrected immediately to mitigate that risk.

FINDINGS AND RECOMMENDATIONS

Finding: *The Stipend Program as defined in the Standard Operating Guidelines is confusing, cumbersome and too difficult to administer. Presently the payment schedule is divided into six different classifications or ranks. Each classification has up to five different specific criteria for payment. Payment at the next level is dependent on having completed all requirements of the previous levels. The Standard Operating Guidelines specifically state “those individuals who have not completed the required training listed for their rank will only be allowed to receive the stipend level to which they are currently qualified regardless of their rank within the organization.” Additionally, there are add-on amounts for four additional certifications regardless of rank, and add-on amounts for four different levels of years of service.*

Recommendation: While we believe the payment of stipends is a reasonable procedure, the Standard Operating Guidelines must be simplified. Stipend payments should simply be paid each month based on the rank of the volunteer as well as a minimum number of calls or hours worked each month. The guidelines for promotion to the various ranks, however, should require that the volunteer attain certain levels of training and certification. Accordingly, stipend payments would be based on rank, and rank would be based on levels of training and certification.

Finding: *From October 2006 through February 2007, stipends were overpaid based on the current standard operating guidelines. The following table reflects the amounts paid over this period and the estimated amounts not supported by valid certifications at the time of the audit:*

Total Amount Paid

	<u>October '06</u>	<u>November '06</u>	<u>December '06</u>	<u>January '07</u>	<u>February '07</u>	<u>Total</u>
Warrington	\$ 3,900	\$ 3,480	\$ 3,720	\$ 3,615	\$ 3,860	\$ 18,575
Beulah	3,120	2,970	2,780	3,925	3,845	16,640
Cantonment	2,720	2,885	2,935	3,275	2,980	14,795
Molino	2,145	2,770	2,980	2,705	2,760	13,360
Walnut Hill	3,340	2,925	3,105	2,770	2,925	15,065
Brent	2,390	2,070	2,405	2,490	2,455	11,810
West Pensacola	1,990	2,530	2,450	2,405	2,335	11,710
Bellview	3,255	2,480	2,885	2,995	2,970	14,585
Innerarity Point	2,785	3,030	2,235	2,330	2,440	12,820
McDavid	2,395	2,310	2,405	2,605	2,520	12,235
Myrtle Grove	2,735	2,735	3,305	2,490	-	11,265
Ensley	3,725	3,510	2,955	3,660	3,665	17,515
Pleasant Grove	1,970	1,725	1,885	1,900	1,970	9,450
Century	3,220	2,925	2,640	2,640	2,625	14,050
Ferry Pass	4,025	3,695	3,675	4,215	3,660	19,270
Total	\$ 43,715	\$ 42,040	\$ 42,360	\$ 44,020	\$ 41,010	\$ 213,145

FINDINGS AND RECOMMENDATIONS (Continued)

Amount of estimated over payments

	October '06	November '06	December '06	January '07	February '07	Total
Warrington	\$ 780	\$ 630	\$ 675	\$ 1,050	\$ 1,220	\$ 4,355
Beulah	790	640	675	940	945	3,990
Cantonment	910	725	1,030	1,135	1,160	4,960
Molino	870	1,030	1,165	1,060	1,010	5,135
Walnut Hill	685	630	630	480	630	3,055
Brent	275	20	115	435	155	1,000
West Pensacola	445	685	845	585	420	2,980
Bellview	240	(90)	60	730	210	1,150
Innerarity Point	1,225	1,150	840	810	910	4,935
McDavid	460	450	470	585	650	2,615
Myrtle Grove	200	725	625	315	-	1,865
Ensley	1,055	780	610	840	855	4,140
Pleasant Grove	685	450	525	550	610	2,820
Century	1,795	1,670	1,495	1,495	1,470	7,925
Ferry Pass	305	305	130	195	185	1,120
Total	\$ 10,720	\$ 9,800	\$ 9,890	\$ 11,205	\$ 10,430	\$ 52,045

Note: Myrtle Grove station did not submit a stipend report or receive a stipend payment for February 2007.

The amounts overpaid are estimates. Some station files were missing certifications and judgment was used in order to determine if some certifications actually met the requirements of the Standard Operating Guidelines. Also, as mentioned earlier, there was no testing of the requirements to attend a certain number of training sessions or to answer a certain number of calls.

Despite the estimation and judgment used in reviewing compliance with the Guidelines, the trend of overpayment was obvious. The most significant errors occurred at the highest ranks; however, we believe the reason for overpayment was due to confusion over interpretation of the Guidelines.

The Standard Operating Guidelines require a firefighter to complete the "Firefighter I" (160 hour) course and successfully pass the State Exam by September 30, 2006 in order to receive a monthly stipend of \$150. The guidelines do not mention the practice of "Exempting" firefighters and allowing them to receive the same stipend amounts as Firefighter I volunteers would receive. However, the County Fire Chief agreed to pay volunteers who had received exemption letters (see further description of exemption letters on following page) as if they had met the Firefighter I requirement. The table above does not consider payments to firefighters who have received exemption letters as overpayments despite the language of the Guidelines.

FINDINGS AND RECOMMENDATIONS (Continued)

Recommendation: We believe the County should consider two alternatives to address the obvious overpayment of the stipends:

A. Require the station Chiefs to perform a “self-audit” of all stipend payments made up through the date of a revision in the stipend program. This “self-audit” would be subject to review by County internal auditors and would result in reimbursement to the County of overpayments by reductions in future stipend payments.

B. Negotiate with the Volunteer Firefighters Association an agreed upon total amount of the estimated overpayments made up through the date of a revision in the stipend program, and then agree on terms of repayment by the Association.

We believe it is imperative that the County come to a resolution on these overpayments as soon as possible to prevent an increase in the overpaid amounts and make an ultimate resolution more difficult.

Finding: *The Florida Administrative Code Section 69A allowed certain exemptions related to the Firefighter I certification. However, those exemptions generally related to exemptions of the requirement of attendance at the 160 hour training course. Those provisions expired as of December 31, 2005 although the State Fire Marshal is still issuing letters to volunteer fire departments acknowledging that a volunteer has attended certain training courses which mirror the Firefighter I training requirements. The exemption letters from the State Fire Marshal explicitly state “This exemption does not certify you as a Firefighter I.” Currently, In order to be certified as Firefighter I, the volunteer firefighter must still attend a 160 training course and pass a written exam administered by the State Fire Marshal.*

We discussed the issuance of Firefighter I exemption letters with State Fire Marshal’s office personnel. They reported that the issuance of an exemption letter at this time does nothing more than place the liability for using uncertified firefighters on the local chief, and therefore, on Escambia County.

County volunteer fire departments have concluded that if a volunteer has obtained an exemption letter from the State Fire Marshal, then that volunteer is considered to have obtained Firefighter I status. A number of exemption letters have been obtained in the last 60 days; although it is our conclusion that obtaining these letters has no significant relevance. Currently, stipend payments intended for Firefighter I certified firefighters are being made to volunteer firefighters who have received this exemption letter.

FINDINGS AND RECOMMENDATIONS (Continued)

We believe the volunteer fire departments are misinterpreting the Firefighter I exemptions granted by the State, and that non certified volunteers are being allowed in the Exclusionary Zone as defined earlier, which is in violation of State law. We also believe that by allowing these uncertified firefighters in the Exclusionary Zone, that Escambia County has been exposed to significant potential liability. Additionally, this is a significant cause for overpayment of stipends.

Following is a summary of the voluntary firefighters who have met Firefighter I or Firefighter II requirements as of the date of our review:

Firefighter I and Firefighter II Status

Department	# of Firefighters	State Certified				Non State Certified	
		FFI	FFI %	FFII	FFII %	FFI Exemption	FFI Exemption %
Warrington	42	15	36%	4	10%	0	0%
Beulah	21	5	24%	0	0%	6	29%
Cantonment	24	7	29%	1	4%	1	4%
Molino	22	7	32%	2	9%	0	0%
Walnut Hill	15	3	20%	0	0%	11	73%
Brent	25	10	40%	0	0%	3	12%
West Pensacola	28	6	21%	2	7%	6	21%
Bellview	33	12	36%	2	6%	2	6%
Innerarity Point	31	9	29%	1	3%	0	0%
McDavid	13	5	38%	1	8%	0	0%
Myrtle Grove	25	10	40%	1	4%	1	4%
Ensley	28	12	43%	4	14%	0	0%
Pleasant Grove	14	7	50%	2	14%	0	0%
Century	18	1	6%	0	0%	7	39%
Ferry Pass	56	27	48%	9	16%	6	11%
Total	395	136	34.43%	29	7.34%	43	10.89%

Recommendation: The proper definition of “Firefighter I” must be evaluated and communicated to all Departments. It is imperative that definition be in accordance with State law and that all Departments follow the rules consistently. We believe volunteers who have received exemption letters from the State Fire Marshal’s office should no longer be treated as actual certified Firefighter I volunteers per Florida Statutes. The County Attorney’s Office and Risk Management officials should review documentation of policies and procedures to ensure all laws and regulations are followed to limit potential liability to the County.

Finding: The Volunteer Fire Departments currently have inadequate or insufficient policies and procedures for documenting and retaining training and/ certification records on volunteer firefighters.

FINDINGS AND RECOMMENDATIONS (Continued)

Recommendation: The County and Association should define the level of documentation required for the Volunteer Fire Departments and require a checklist to be maintained for each volunteer firefighter. Firefighters that have been volunteers many years prior to the stipend payments may have taken the appropriate courses years ago but may lack the required documentation to support their certifications.

Finding: *The Volunteer Fire Departments currently utilize a manual system to track certifications. This manual system does not provide sufficient, adequate and timely documentation of certification status. Due to the critical nature of receiving updated training, accurate recordkeeping is essential.*

Recommendation: The County or Association should implement software that monitors the expiration of certificates on a monthly basis and flag personnel that are performing duties under expired certifications.

It might be possible to incorporate this monitoring program through the recently purchased Kronos HR System.

Revised Attachment B

**VOLUNTEER FIREFIGHTERS ASSOCIATION
STANDARD OPERATING GUIDELINES
FOR THE ADMINISTRATION OF THE STIPEND PROGRAM
OF ESCAMBIA COUNTY**

PURPOSE: To promulgate policy and guidelines for payment of a stipend to volunteers who provide more than minimal services to our local citizens, and in so doing, incur personal expenses. While it is beyond the scope of the relationship to maintain detailed expense and reimbursement records, this stipend will in some measure help to cover those personal expenses.

**REQUIRED QUALIFICATIONS
AND PAYMENT SCHEDULE:**

- I. **Firefighter Trainee:** Will Receive \$75 if:
 - A. Completes 12 Hour orientation training into the fire service.
 - B. Attends 2 Training Meetings and responds to 25% of the departments first 50 calls and 12.5% of all calls over 50.

- II. **Firefighter I:** Will receive \$150 if:
 - A. Meets Firefighter Trainee requirements.
 - B. Completes "Firefighter I" (160 Hour) Course and successfully passes the State Exam by September 30, 2006.
 - C. Attends 2 Training Meetings and responds to 25% of the departments first 50 calls and 12.5% of all calls over 50.

- III. **Lieutenant:** Will receive \$200 if:
 - A. Has met the requirements of Firefighter I.
 - B. Is Leadership I Certified with a minimum 16 hour course of any origin.
 - C. Has completed the 24 hour Pump Operations Course offered by the State or County.
 - D. Is EVOG (Emergency Vehicle Operator Course) certified.
 - E. Attends 2 Training Meetings and responds to 25% of the departments first 50 calls and 12.5% of all calls over 50.

- IV. **Captain:** Will receive \$250 if:
 - A. Has met the requirements of Lieutenant.
 - B. Leadership II certified with a minimum 16-hour course of any origin.
 - C. Attends 2 Training Meetings and responds to 25% of the departments first 50 calls and 12.5% of all calls over 50.

- V. **Assistant/Deputy Chief:** Will receive \$300 if:
 - A. Has met the requirements of Captain.
 - B. Leadership III certified with a minimum 16-hour course of any origin.
 - C. Attends 2 Training Meetings and responds to 25% of the departments first 50 calls and 12.5% of all calls over 50.

- VI. **Station Chief:** Will receive \$350 if:
 - A. Has met the requirements of Assistant/Deputy chief.
 - B. Completed Fire Chief's Administrative course.
 - C. Attends 2 Training Meetings and responds to 25% of the departments first 50 calls and 12.5% of all calls over 50.

- VII. In addition to the stipend received based on their rank, individuals will receive the following amount monthly for additional training:
 - A. First Responder Certified; \$10
 - B. Recognized Vehicle Extrication Course; \$10
(State of FL, Georgia Extrication School or County approved course)
 - C. Hazmat Operations (recertified yearly); \$5
 - D. Hazmat Technician (recertified yearly); \$10

- VII. In addition to the stipend received based on rank and the amounts received for additional Training, firefighters will receive the following additional amount based on time in service;
 - A. For 5 years of active service to Escambia County; \$5
 - B. For 10 years of active service to Escambia County; \$10
 - C. For 15 years of active service to Escambia County; \$15
 - D. For 20 years or greater of active service to Escambia County; \$20

Note: All personnel will have one year from the date of implementation of this plan to complete the above listed requirements. After one year those individuals who have not completed the required training listed for their rank will only be allowed to receive the stipend level to which they are currently qualified regardless of their rank within the organization.

PROCEDURES:

1. An Attendance Roster@ will be completed for all dispatched calls, training meetings, special details. If possible, an Officer will be responsible for completing this report. If an Officer is not at the call, the highest ranked firefighter will be responsible for the report. The Incident Commander will complete the top portion of the form.

2. The firefighters will print their name, and sign the roster. After all firefighters have signed the roster, the Incident Commander will draw lines through the remainder of the form, and the words "**AND NO OTHERS**" will be placed on the next line. The Incident Commander will then print his/her name and sign the form at the designated place.

3. The Station Chief will be the only person permitted to add any additional names to the form. He/she must initial any changes that are made.
4. The Station Chief will prepare a Monthly Stipend Report at the end of each month that will include, but not be limited to, the following information: number of calls the department ran; number of members, by rank, who met qualifications and would be eligible to receive the Stipend, the total number of members in the department, and number of calls, drills, and special details each member participated in. The Monthly Stipend Report will be attached to a voucher and submitted for payment. This report will be initialed by each member who is eligible to receive the Stipend and signed by the Chief of that department.
5. Each fire department will be responsible for maintaining personnel files and training records, which accurately reflect each individual's qualifications for their stipend level. These records shall be available for audit.

ADDITIONAL GUIDANCE:

- I. Credit may be received in lieu of calls runs for standing Duty Crews.
Duty crews are defined as personnel manning a station for a set period of time. For that service there will an allotment of call counts to add to the persons percentage as follows:
 - A. 4 hour shift; 1 Call
 - B. 6 hour shift; 2 calls
 - C. 8 hour shift; 3 calls
 - D. 12 hour shift; 4 calls
- II. Credit may be given for Special Details. Special Details should be a minimum of two (2) hours. This will not account for more than 50% of the total call run needed by an individual in any given month. Each special detail may count for one call.
- III. The 12 hour Orientation Course required for Trainees shall include:
 - ◆ Basic equipment and truck familiarization
 - ◆ Safety
 - ◆ Use of SCBA
 - ◆ Personal Protective Equipment
 - ◆ Blood borne pathogens
 - ◆ County General Operating Guidelines

Note The above listed courses are to be completed within the first thirty (30) days after trainee's acceptance into a fire department.

- IV. In the event that a firefighter is involved in official fire department business such as classes, special meetings, Association meetings, out of town training, they shall get credit for any calls run during that time.

- V. Recruiting Bonus: If the volunteer (recruit) completes the Firefighter I Class in six months, the firefighter and the recruiter receives a one time bonus in the amount of \$50. If the firefighter stays for one year, the recruiter receives an additional one-time bonus in the amount of \$50.