



Columbus Consolidated Government

Georgia's First Consolidated Government

Post Office Box 1340
Columbus, Georgia 31902-1340

Donna L. McGinnis, CPA, CFE
Forensic Auditor

**Internal Audit of
Fire/EMS Department
May 10, 2022**

706 225-3119
FAX: 706 225-4447
Mcginnis.Donna@columbusga.org

AUDIT AUTHORIZATION

This departmental audit was authorized by City Council on January 26, 2021, in response to a request for audit by former Internal Auditor John Redmond. The audit began on October 15, 2021, with the audit completed by Forensic Auditor Donna McGinnis.

BACKGROUND

The Columbus Fire/EMS Department provides fire prevention and suppression services, emergency medical and rescue services and emergency management coordination for the Columbus Consolidated Government and its citizens. The department consists of 382 authorized employees providing emergency services from 14 fire stations located strategically throughout our community. In addition to its substantial number of physical facilities, the department utilizes a variety of equipment including fire engines, ladder trucks, ambulances, rescue equipment, transport vehicles and a mobile command center. Each vehicle is supplied with equipment and various supplies needed to accomplish its' mission. Each station is equipped with facilities for sleeping, showering, food preparation and storage and individual lockers for storage of uniforms, personal protective gear, and personal items. The department is unique in that its operations staff works 24-hour shifts, then being off for 48 hours. This results in employees not only working together but also living together during their shifts. The department not only serves the citizens of Columbus but is also the hub of fire/rescue operations for the region, providing support and back-up assistance to neighboring counties through mutual aid agreements.

LEADERSHIP

Fire-EMS Chief/EMA Director Salvatore J. Scarpa leads the department, accompanied by Assistant Fire Chief Tim Smith. Deputy Director Chance Corbett leads the Emergency Management & Homeland Security Center. They are augmented by Deputy Chiefs leading various functional areas. Deputy Chief Daniel Macon heads Operations, Deputy Chief Ricky Shores heads Community Risk Reduction & Fire Prevention, Deputy Chief Marie Harrell serves as Health & Safety Chief and oversees the EMS Coordinator, and Deputy Chief Daniel Hord heads Resource Management & Logistics. The Department Director reports to the Mayor/Public Safety Director.

AUDIT SCOPE

The audit scope is intended to address all material aspects of the Fire/EMS Department. Material aspects included, but were not limited to: organizational structure, policies and procedures, internal controls, cash handling process, strategic planning, payroll, equipment, inventories, budgetary control, management continuity plan, emergency management initiatives, training, physical proficiencies, participation in regional, statewide, national professional organizations, fire prevention, rescue and ambulance operations and coordination with contractual partners and area health care facilities.

AUDIT PROCESS

The Audit Process began with the authorization of the audit. An audit program was developed to address the material aspects of the departmental audit, followed by the entrance conference with the department head and members of the command staff. During the meeting, those present were presented with the preliminary audit program items and invited to suggest any additional areas that warranted inspection. With some additional requests, it was determined that the audit would include a review of all five divisions— Administrative Services, inclusive of Logistics & Support; Emergency Medical Services; Community Risk Reduction; Operations and Training, and the Emergency Management & Homeland Security Center. The audit techniques included reviews of documents and manuals, physical verification of employees and capital assets, tests of internal controls, examination of reports prepared by the department and others from independent sources, tests of transactions, reviews of policies, procedures and controls to determine if they were achieving the desired results, reviews of strategic planning and capital replacement listing, interviews, meeting observations, independent verifications, and other techniques as appropriate. During the audit, management was briefed on findings and potential recommendations. Following the audit, a draft report is presented to department management for review and response. A final report including the departmental response is then prepared and distributed to department management, the Mayor and Council, concurrently. A presentation to Council is scheduled to address any questions or concerns they may have and to avail it to the public. The auditor provides follow-up later to insure that agreed-to recommendations have been implemented and are properly functioning.

FIELDWORK ACTIVITIES

Fieldwork in Administrative Services was concentrated in Payroll, Logistics, Budgetary Performance and Departmental Accounts Fieldwork in Administrative Payable. Payroll distribution of December 3, 2021 was tested against time records and payroll system reporting and no discrepancies were noted. In Logistics, there has recently been an initiative that will save approximately \$25,000 per year- EMS has obtained a DEA license so that they can directly purchase 5 controlled substances such as Ketamine, Versed, Morphine, Fentanyl and Diazepam as well as 31 other drugs for use in EMS drug boxes. These drugs are used to treat drug overdoses, cardiac arrests, life threatening tachycardias, bradycardias, difficulty breathing, acute coronary syndromes, myocardial infarctions, hypotensive crisis, strokes, traumatic injuries, diabetic emergencies, psychiatric patients, and various pediatric emergencies. Logistics did maintain an ample inventory of supplies for Fire/EMS operations. Three years of budgetary performance were reviewed and generally Fire/EMS has managed their divisional budgets quite well, apart from two areas that have been challenging- fleet maintenance and overtime. As the fleet of vehicles ages, without replacement vehicles approved in budget requests, it has become more challenging to keep up with the necessary repairs and maintenance needed to ensure that fire trucks can respond when needed on a call. As for overtime, Fire/EMS employees are required to work a minimum staffing level under FSLA, and as a result, when CCG Perk incentives are extended to and earned by departmental employees, additional overtime is incurred, so additional anticipated overtime has been included in the proposed FY23 departmental request. The review of the departmental Accounts Payable area was also found to be in good order. There's a high volume of transactional activity in that work area, involving purchases under grants, purchasing cards, and state contracts.

In the review of Emergency Medical Services, under Deputy Chief Harrell, Workers Compensation for the team is addressed, as well as maintenance of physical fitness records and scheduling of annual wellness examinations. While workers' compensation can be a problematic area, all appeared to be in good order. Deputy Chief Harrell also has recently secured a new grant that provided specialized washers and dryers for personal protective equipment for most of the fire stations. Also, within EMS, they're developing a database detailing information about each call completed, the coding for the insurance that should be available for payment for the services, and that they're working with EMS crews to ensure that their paperwork is accurately completed when submitted for billing. They are frustrated by the high number of write-offs of their billings and realize that the collection rate is only approximately 26 percent. Meanwhile, they are trying to develop another option-a community assistance program for citizens who call for EMS help frequently but are requesting services that do not result in transportation of a patient to a local hospital.

Within Operations, Deputy Chief Daniel Hord accompanied Capt. Robin Simmons and I in the confirmation of Capital Assets across all the community Fire stations. We were able to account for all assets listed, except for a group of Motorola computers that had previously been reported to Finance as auctioned. Other observations within operations Under Deputy Chief Chance Corbett, the Emergency Management & Homeland Security Center is currently undergoing renovation and has already seen program upgrades since his arrival on the team in January of 2021. There are plans in the new budget year to bring more programming out into the community, with activities at local schools, churches, and senior living communities. While most events are triggered by a weather activity, preparedness drills have also been developed for potential civil unrest and other community emergencies.

Within Community Risk Reduction, Deputy Chief Shores, and Fire Marshall John Shull focus on Fire Prevention through education and training, inspection, and consulting. Additionally, they maintain a database of loss event records, and conduct arson investigations. They conduct life safety high consequence property inspections annually checking the status of smoke alarms, hydrants and emergency exits. They are working collaboratively with local schools, colleges & universities as well as the health department and local hospitals on initiatives that will seek to minimize injuries to citizens annually. By maintaining a database of loss event records, we are striving to lower the dollar value of property loss, as defined by data analytics annually.

Within Operations, Deputy Chief Daniel Hord accompanied Capt. Robin Simmons and I in the confirmation of Capital Assets across all the community Fire stations. We were able to account for all assets listed, except for a group of Motorola computers that had previously been reported to Finance as auctioned. Other observations within operations included the availability of some specialized gear that can be used to rescue pets in house fires as well as gear for water rescue.

Within Training, Deputy Chief Daniel Macon provides all department recruit and continuing education training, tracks and coordinates all mandated insurance services, Georgia Fire Standards and Training and Department of Public Health Training, manage, and coordinate live drills, oversee Special Operations GSAR Task Force, manage Fire Service Pump testing, and operate the Emergency Medical Services training program for Basic, Advanced and Paramedics. Training activities have already been scheduled for the remainder of 2022 and the curriculum has been well developed and satisfies the requirements at the state and federal level for accreditation.

RECOMMENDATIONS

1. Would recommend continued replacement of aged fleet as requested in budget submissions to ensure that Fire/EMS can continue to effectively respond to citizens in need. By taking aged fleet out of service, repair costs are also contained.
2. Would explore alternative opportunities for EMS billing as the current return of approximately 26 percent of billings paid is a very poor result. Write-offs are at a rather high level, and alternative approaches such as placement with an outside contractor should be considered.
3. Would recommend support for additional overtime as requested within the FY23 budget submissions as Fire/EMS is required under FSLA to meet minimum staffing requirements and as a result, when CCG perk incentives are offered to employees for participation in a blood drive, or wellness exam, Fire/EMS automatically incurs additional overtime liability.

AUDITEE'S RESPONSE

The Fire-EMS Department is grateful to have had the opportunity to participate in this audit. The auditor was very professional and thorough; characteristics that align well with our organizational values. The process of the audit was comprehensive in nature and allowed Columbus Fire & EMS (CFEMS) staff the opportunity to ensure that the department is doing what we say we're doing. As an organization that prides itself of continuous improvement, this effort has yielded opportunities to enhance our capability and deliver a better product to our community.

Based on the auditor's recommendation and given the resources and opportunity, Columbus Fire & EMS will:

- Continue to work with Mayor & Council and City leadership to identify capital to help replace an aging fleet. Beginning in FY2022, the Department began this process in earnest with the allocation of funds to replace five (5) engines and one (1) ladder truck. This represents a substantial investment and commitment by the CCG to replace critical assets. The Fire-EMS Department looks forward to the opportunity to replace the balance of aged fleet assets which will significantly drive down repair costs and keep apparatus available for service.
- Evaluate opportunities to enhance billing collections for Emergency Medical Services (EMS). The Department recognizes that certain contractual write-offs are unavoidable for the industry. Research conducted with fire-based EMS services across the country reveal a wide spectrum of collection rates as high as 87%. In conjunction with opportunities to enhance collections, the Department would like to explore the opportunity of creating a self-sustaining enterprise solution that funds this crucial program.
- Recognize critical capacity in our overtime budget. Nearly eighty (80) percent of the current CFEMS overtime budget is utilized by required Fair Labor Standards Act (FLSA) mandated costs. Thus, the vast majority of the CFEMS budget is unavailable throughout the year. This leaves very little capacity to cover overtime costs for one of the largest departments in the City. The CFEMS is hopeful that this imbalance can be corrected to allow for right-sizing of the Department's overtime budget.

In short, the Department accepts the findings of the Auditor and looks forward to the opportunity to work towards implementation.

Internal Audit of Columbus Fire and Emergency Medical Services

May 10, 2022

Presented by: Donna L. McGinnis, CPA, CFE Forensic Auditor

Audit Authorization

- The audit was authorized by City Council on January 26, 2021.

Audit Process

- Authorization of Audit
- Development of Audit Program
- Entrance Conference With Auditee
- Conduct of Fieldwork

Audit Process (Continued)

- Preparation of Draft Audit Report
- Exit Conference with Auditee
- Auditee Response
- Preparation of Final Audit Report

Audit Scope

- Organizational Structure of the Columbus Fire & Emergency Medical Services Department.
- Operations.
- Inventory and Assessment of Vehicles, Capital Equipment & Facilities.
- Financial Position.

Audit Scope (Continued)

- Administrative and Financial Operations.
- Employee Succession Plan.
- Review of Logistics, Training, Emergency Medical Services, Emergency Management and Community Risk Services.

Audit Recommendations

- ▶ Continue to support Fire fleet replacement budget requests in order to ensure that all stations can meet community needs.
- ▶ Explore opportunities to improve upon the collection rate of EMS billing for services which is currently at approximately 26 percent.
- ▶ As Fire & EMS employees have a required minimum staffing level under FSLA, the department is automatically incurring overtime for CCG perk incentive days that may be offered to employees. As a result, additional overtime dollars have been included in the FY23 Budget request, and as identified in the fieldwork, are justified.

Auditee Response

- Chief Salvatore J. Scarpa responded to the audit report and concurred with the auditor's report.
- *"Columbus Fire & EMS is proud to have participated in this process. The Department values organizational transparency and seeks out opportunities for continuous improvement."*

Questions

- ▶ Are there any questions from City Council or Executive Management regarding this report?