



OFFICE OF THE INSPECTOR GENERAL BALTIMORE CITY

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Public Synopsis

Synopsis of OIG Report #IG 2014-0245: Office of The Fire Marshal Program Review

SUMMARY

The Office of Inspector General (OIG) initiated a review of the administrative processes and procedures of The Baltimore City Fire Department's (BCFD) Office of the Fire Marshal (OFM). The review examined current department processes/procedures and identified potential improvements. The OIG conducted the evaluation, in collaboration with the OFM leadership team, during the period of September 2013 through January 2014.

During the evaluation, OIG personnel interviewed several OFM employees about their job duties, processes, procedures and common daily practices. All were very forthcoming during discussions of their roles and personal concerns and viewed the evaluation as a proactive step in the improvement of the Bureau's operations.

The OIG determined that the current framework and structure of the OFM, provides reasonable assurance that the department will meet its goals and targets effectively. The *efficiency* of the operation, however, did come into question, and several mitigating steps addressing the issues have already been implemented by the leadership team. The required documentation for inspections, although necessary for regulatory purposes, could be represented much more efficiently in an electronic format. The current process involves field Inspector completion, office staff data entry and internal payment processing, all of which adds several days to the total completion time of an event. The OIG's opinion that electronic mobile devices, as well as online electronic payments through the City's Finance Department web portal, would dramatically improve the overall efficiency and outcomes of this Office.

The OIG found no apparent misuse of material resources or equipment with items such as smoke detectors being distributed to residents, and event attendees are well documented by Inspectors. Discrepancies in financial resources documentation and processing were discussed with the OFM leadership team and ultimately traced back to one administrative employee who is pending termination for theft. The OIG determined that the OFM relied upon a large amount of overtime to accomplish its tasks, specifically special events. Although two-thirds of the costs are reimbursed by vendors, the overtime assignment/granting process still warranted further review. The Fire Marshal has since streamlined the process by: (1) assigning the entire scheduling function to one employee, (2) utilizing an events calendar accessible to all staff, and (3) requiring

an electronic (e-mail) employee acceptance, all in efforts to ensure efficiency, transparency and fairness in the overtime process.

OIG OBJECTIVES

The purpose of our review was to examine the OFM administrative controls and practices in efforts to: (1) determine if the procedures and the policies enforced are efficient to the daily needs of the office, (2) assess the financial impacts of OFM in comparison to other departments that accept payments at their central location, and (3) determine the validity of the overtime hours/dollars spent by the Bureau. The OIG conducted its investigation in accordance with Generally Accepted Government Auditing Standards (GAGAS), Generally Accepted Accounting Principles (GAAP) and City of Baltimore laws and regulations, as well as any applicable contractual agreements.

As in the case of all OIG evaluations, any instances discovered of fraud, waste, abuse or contractual non-compliance are promptly identified and investigated as necessary. Findings, best practices and recommendations will be communicated to all parties involved upon completion of this review. The OIG is willing to assist in the development of appropriate corrective action plans, as well as suggest business process improvements or additional management controls.

OFFICE OF FIRE MARSHAL BACKGROUND

The OFM employs a staff of forty (40), with the function of building inspections, special event safety, and community education on fire safety (all as shown by the Office's organization chart). The Fire Marshal leads the office, supported by nine (9) Captains, each responsible for a different aspect of the Office's administration. There are 15 Inspectors that are assigned to various locations throughout the City, responsible for new permits/use and occupancy, annual renewals, and special events for citizens and business owners. There are six (6) Lieutenants that often assist the inspectors, as well as conduct public education trainings on fire prevention. The Office Staff is composed of three employees that enter and maintain payments received at their central location at 410 E. Lexington Street in Baltimore, as well as entering permit requests.

The OFM is divided into eight (8) units/functions that inspect variations of fire safety.

- Administrative Staff
- Plans Review and Testing
- Fire Investigation Administration/Field Investigators
- Fire Prevention Administration/Shift Work Inspectors
- Special Events Coordinator
- Code Enforcement/ Eastern and Western Districts
- Health Care Liaison, High Rises and DSS
- Public Education

ASSESSMENT AND EVALUATION ~ SCOPE AND METHODOLOGY

Several OFM documents were reviewed by OIG personnel, to fully understand the overall structure, purpose and outcomes of the office. The key focus of the document review was to ensure that the existing items provided transparency and accountability, ultimately preventing

possible fraud, waste or abuse. Data reliability for internal benchmarking efforts and reporting were also examined.

Source documentation used for our review was verified through physical examination and reconciliation. Originals were provided by the OFM and Finance Department upon request, with photo copies made for our records. Additionally, financial reporting, record keeping practices, and contract compliance were all assessed during the OIG review process. Employee interviews were utilized to clarify processes and previous actions. Specific documents analyzed for this review include (but are not limited to) the following:

- OFM Organization Chart
- OFM Policy Manual
- OFM Daily Report
- OFM Complaint Report
- Fire Prevention Inspection Form
- Fire Inspection Permits and Invoices
- Use and /or Occupancy Referral Worksheet
- Special Events Application
- Special Events Report (Summary)
- Public Education Report (Summary)
- Low-Rise Building-Fire Drill/Inspection Report
- Department of Social Services Inspection Form
- Overtime Event Schedule
- Overtime Report for 1/6/13-8/22/13

INFORMATIONAL INTERVIEWS (By Function/Specialization)

The OIG interviewed the lead of each functional area, as well as several Inspectors, to get a well-rounded picture of the functionality and opinions of those in the unit.

Administrative Staff

The OIG interviewed each administrative staff person independently, to get a clear picture of their individual understanding of work responsibilities. The administrative staff consists of three (non-inspection) positions: Typist III, Word Processing Operator and Records Technician. Each position shares the same primary responsibilities of permit payment processing, as well as other office tasks such as answering of telephones, mail processing and addressing the needs of walk-in customers. Inspection/permit requests and payments arrive to the OFM via three avenues: the Field Inspectors, mail and walk-in. The Bureau's policy states that absolutely no cash will be accepted, and requires payments for inspections/permits to be made by check or money order only.

On average, 50 payments are received at the OFM daily requiring processing by the administrative staff. These items are data entered into the permit system, copied for internal files, then batched and submitted to the Finance Department. OIG examined and reconciled a sampling of documents used in this process, to include: fire prevention inspection forms, permit details from the permit system, permit payment check entry database (Microsoft Access) and cash deposit slips. All of the administrative staff had a clear understanding of their role and its importance, albeit a somewhat different approach to the actual daily process of getting things done.

Plans Review and Testing

The Plans Review and Testing unit, headed by the Chief Plans Examiner, analyzes and reviews new building plans and alterations for Fire Code compliance. The plans review process involves intense collaboration with architects, engineers, developers and homeowners, all seeking permits to move forward with a project. Although the unit is equipped with some administrative assistance for telephones and walk-ins, the Chief Examiner is the sole reviewer of these documents, which may exceed 3,000 annually. This creates a system backlog, extended permit processing times, as well as potential revenue collection for the City. The OIG spoke with BCFD Human Resources representatives regarding staffing/hours options; the OIG was told the Department does not have the funds for additional positions.

Fire Investigation Administration/Field Investigators

The Fire Investigation Administration is responsible for determining the origin and cause of reported fires, as requested by the Incident Commander (responding unit(s) officer in charge). Please note that every fire does not require an official investigation by OFM. The Investigator then makes the decision to call police arson or crime lab, if needed. Preliminary reports for every incident are due at the end of every shift, with the final report to be submitted within 14 days. Completed reports become public documents and are available for purchase or review by other departments. The OFM charges a nominal fee for production and distribution of these reports, but staff members feel that the amount charged is a bit low. An industry assessment may be performed during the OIG's forthcoming financial audit.

Fire Prevention Administration/Shift Work Inspectors

Fire Prevention Administration is the primary data reporting unit within the OFM. Essentially, every fire (or company response) generates a "fire card," which contains all data for a particular

incident. The fire card must be complete and closed within five (5) days of the initial incident. Fire prevention data is collected and summarized for submission to the state Fire Marshal, as well as national databases such as the National Fire Incident Reporting System (NFIRS). Along with the responsibilities of external reporting, the Fire Prevention Administration also provides personnel-related statistics to the City's Department of Human Resources and CitiStat.

The Shift Work Inspectors work at the same locations that require 24-hour presence of a Fire Marshall employee. Those locations that require a 24-hour presence are shelters for the homeless. Most of the buildings are not in the best condition but serve the purpose of keeping the homeless warm and safe. Many of the locations do not have sprinkler systems to assist during a fire.

Special Events Team

The Special Events Coordinator works with various agencies to organize events throughout the City. This process includes pre-inspection services of the venue, to determine what types of permits will be needed for the event. Capacity, pyrotechnics and temporary liquor licenses are all among the list of possible permits needed for special events. Special events may require several OFM employees to be present during the entire event, dependent upon the number of estimated attendees and the venue. This is the primary driver of the Bureau's overtime hours, which may exceed 400 hours per pay period. On average, there are 175 events per quarter (as reflected in 1st Quarter of FY2014), with approximately 67% of the overtime for these events reimbursed by the vendors. City-sponsored events such as the July 4th fireworks display, Art Scape and the GrandPrix are not reimbursable.

Code Enforcement/Eastern and Western Districts

The Code Enforcement Team (divided by Eastern and Western Districts) is responsible for the inspection of business entities and issuing permits for (1) alarm and sprinkler systems and (2) use and occupancy, for new businesses and existing businesses (annual renewals), as well as those that have changed/updated their planned use.

Healthcare Liaison/High Rises/ Department of Social Services

The Healthcare Liaison inspects hospitals and nursing homes. These inspections are lengthy (5 days to 2 weeks) due to the sizes of the facilities and the number of codes that have to be enforced, such as type of patient, number of exits, etc.

High Rise Inspectors inspect buildings to make sure the occupancy levels do not exceed the Fire Code allowances. Inspectors also work with federal and state agencies to ensure the high rises have proper fire and emergency exits, functional elevators/functioning detectors and sprinkler systems.

Social Services Inspectors enforce use and occupancy code in foster care centers and adoptive family homes. A monthly report is generated with approximately 40 new locations in need of inspection, each taking at least 60 minutes. Renewals are also performed, as requested. Once an inspection takes place, repairs need to be made to the property within 14 days. At that time, a second inspection is performed before issuing the permit.

Public Education

The Public Education Unit educates both internal and external customers on fire prevention and life safety. Events are scheduled by the submission of an event request form, which details the customer's needs for the event: brochures for distribution, prevention education and/or suppression education with which a neighborhood Fire Company assists. Regularly scheduled events also take place with local educational partners to include Baltimore City Community College's Nursing Program, Johns Hopkins Hospital's Mobile Safety Center and Patterson High School's Health Academy. Events average 45 per month, for combined prevention and suppression activities.

The Public Education Unit, along with local Fire Companies, performs weekly sweeps during which free smoke alarms are given to families in need. These efforts are documented on the 311 Smoke Alarm Tracking Form, reflecting 100-150 smoke alarms distributed weekly. Upon receipt of the hard-copy forms from the Fire Companies, the information must then be data-entered into the Customer Service Request (CSR) system.

OIG FINDINGS:

Review of all requested/submitted documentation, as well as personnel interviews, present the following information, noted here as official findings or facts for this evaluation.

1. Payment Processing and Documentation ~ the OIG found several discrepancies in the area of inspection/permit payment processing and documentation. The administrative staff each followed a different process for completion and several pieces of required documentation were not properly filed in the Inspectors' internal filing system, known as the "street file." This documentation is crucial for the verification of accounts receivable items and the associated audit trail.
2. Reporting Structure ~ specifically with the administrative staff, the line of authority is blurred. The daily functions of the staff were guided by one officer, while the annual performance review process was handled by a second. This will undoubtedly prove to be ineffective when officially assessing the employee's ability to perform and providing constructive feedback for growth.
3. Responsibilities ~ specifically with the administrative staff, the unofficial "division" of daily work tasks makes the function extremely inefficient. The duties were divided according to what they saw as each person's core competencies, not by what the workload actually dictated. Thus, the more demanding and often time-sensitive permit payment process was not shared equally by the staff.
4. Data Management ~ Inspections were recorded/completed differently among staff, many with missing or incomplete information. This reduces the accuracy and efficiency of the Bureau's data collecting and reporting efforts.

5. Overtime Management ~ the overtime assignment process has been grossly mismanaged, with no uniformity or clarity of process. Several employees expressed both personal and professional concerns of how it was assigned and to whom it was awarded. Note: This issue has been discussed with the Fire Marshal and has been mitigated by creating additional controls over the approval process.
6. Staff Utilization ~ in some instances, general responsibilities appear to overlap, specifically among officers and in-house functions. There are several people handling “different pieces” of what should be one consolidated function (payroll and human resources, for examples).
7. Technology ~ the internal systems of OFM are outdated and do not communicate with each other, OR other City systems. This creates duplicative efforts for internal record keeping and benchmarking, as well as external reporting.

RECOMMENDATIONS

The following OIG recommendations are operations-based remedies, with the decision on method and level of modifications being the responsibility of the Office of the Fire Marshal:

1. The OIG will perform an in-depth financial audit of the OFM, examining documents for all in-house transactions as well as related items housed within the City’s Finance Department. The OIG also recommends the implementation of electronic/online payments, to minimize cash/payment handling.
2. OFM should create sound procedures for standard daily operations and record keeping. The step-by-step processes of each function should be documented to maintain operating efficiency. This accomplishes reliable productivity/outputs for the Bureau’s reporting, as well as documented performance measures for annual personnel evaluations. Responsibilities and functions should be clearly defined.
3. Once processes are documented, the OIG recommends in-depth staffing needs assessment and cross training of staff on appropriately related functions. For example, all administrative staff should be adept in all aspects of their functions, and should follow the same documented processes to complete the work. Inspectors (where feasible) should have the ability to perform any inspection needed, which may result in additional items processed, increased revenue and fewer complaints.
4. Public Education is one of the smallest units within the OFM (based on personnel), albeit with the greatest community impact. While others help with these responsibilities when

needed, serious consideration needs to be given to the enhancement of this function. This is the “front line” of educating citizens on prevention and safety, and although not a key revenue-generating unit, it is one of the most important for the community.

5. As the budget allows, the OFM should consider software upgrades and field electronic devices. Much of the paperwork, backlog and turn-around time issues could be addressed with the use of hand-held units that communicate with in-office software.