



**CITY OF COLORADO SPRINGS
OFFICE OF THE CITY AUDITOR**

**08-10 – COLORADO SPRINGS
FIRE DEPARTMENT
LIMITED REVIEW PERFORMANCE AUDIT**

PUBLIC REPORT

August 13, 2008

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Office of the City Auditor

Date: August 13, 2008

To: Honorable Mayor and Members of City Council

Re: 08-10 – City of Colorado Springs Fire Department – Limited Review Performance Audit

We performed a review of the Fire Department's central purchasing, warehouse operation, and inventory practices and procedures to determine if they have adequate internal controls to safeguard assets, and if they are operating efficiently and effectively. We also reviewed two performance measures to verify that the objectives and characteristics of Service Efforts and Accomplishments were met under Concept Statement 2 of the Government Accounting Standards Board. Our review was limited in scope to the areas mentioned and was not a comprehensive performance audit of the Fire Department. Our audit period was calendar year 2006.

The Fire Department's mission is to mitigate the threat to life and property from fire, medical, and other emergencies through education, prevention, community preparedness, emergency response, and recovery programs.

We conclude that overall, the Fire Department's central purchasing, warehouse operation, and inventory practices and procedures have adequate controls to safeguard assets and operate efficiently and effectively.

The two performance measures tested were:

- Percentage of Emergency Incidents with Arrival of First Fire Company within eight minutes, and
- Percentage of Emergency Medical Incidents with Response Times by CSFD within six minutes.

We conclude that both performance measures met the objectives and characteristics of Concept Statement 2 of the Government Accounting Standards Board.

As always, please let me know if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Jeff Litchfield".

Jeff Litchfield
City Auditor

CITY AUDITOR JEFF LITCHFIELD, CPA CIA CFE

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Cc: Penelope Culbreth-Graft, DPA, City Manager
Manuel Navarro, Fire Chief
Steven Cox, Interim City Manager

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Findings, Recommendations, and Responses

There were no findings or recommendations for this audit.

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Acronyms Used in this Report

CSFD Colorado Springs Fire Department

Introduction

AUTHORIZATION

We performed an audit of selected areas of the Colorado Springs Fire Department (CSFD) for the 2006 Calendar Year. We conducted this audit under the authority of Chapter 1, Article 2, Part 7 of the City Code, and more specifically parts 703, 705, 706, and Part 709 (B) and (C) of the Code, which state:

1.2.703: ENSURE PUBLIC ACCOUNTABILITY:

The City Auditor shall ensure that administrative officials are held publicly accountable for their use of public funds and the other resources at their disposal. The City Auditor shall investigate whether or not laws are being administered in the public interest, determine if there have been abuses of discretion, arbitrary actions or errors of judgment, and shall encourage diligence on the part of administrative officials.

1.2.705: DETERMINE EFFECTIVENESS AND EFFICIENCY OF PROGRAMS:

The City Auditor shall determine the extent to which legislative policies are being efficiently and effectively implemented by administrative officials. The City Auditor shall determine whether City programs are achieving desired objectives. The City Auditor shall review the administrative control systems established by the enterprises, department, or group managers and by the City Manager, Utilities Executive Director, and Memorial Hospital Executive Director and determine whether these control systems are adequate and effective in accomplishing their objectives.

1.2.706: EXAMINE BOOKS, RECORDS:

The City Auditor shall examine and inspect all books, records, files, papers, documents, and information stored on computer records or in other files or records relating to all financial affairs of every office, department, group, enterprise, political subdivision, and organization which receives funds from the City or under the direct or indirect control of the City Council. The Auditor may require any person to appear at any time upon proper notice and to produce any accounts, books, records, files, and other papers pertaining to the receipt or expenditure of City funds, whether general or special. If that person fails to produce the papers, then the Auditor may request Council approval to search for and take any book, paper, or record in the custody of that person or public official.

1.2.709: MAKE PERIODIC REPORTS TO COUNCIL:

- B. Information of proposals deemed expedient in support of the City's credit, and recommendations for lessening expenditures, for promoting frugality and economy in City affairs, and for an improved level of fiscal management;
- C. Matters concerning the effectiveness and efficiency of the programs and operation of the City;

Introduction

ORGANIZATIONAL PLACEMENT

The Office of the City Auditor is structured in a manner to provide organizational independence from the entities it audits. This independence is accomplished by the City Auditor being appointed by and reporting directly to the City Council. The audited entity in this audit was the Colorado Springs Fire Department, which is under the reporting structure of the City Manager. The City Manager is a City Council Appointee.

SCOPE AND METHODOLOGY

The purpose of our audit was a review of the Fire Department's central purchasing, warehouse operation, and inventory practices and procedures to determine if they have adequate internal controls to safeguard assets, and if they are operating efficiently and effectively. We also reviewed two performance measures to verify the objectives and characteristics of Service Efforts and Accomplishments were being met under Concept Statement 2 of the Government Accounting Standards Board. These objectives and characteristics include relevance, understandability, comparability, timeliness, consistency, and reliability. Our review was limited in scope to the areas mentioned and was not a comprehensive performance audit of the Fire Department. Our audit period was calendar year 2006.

The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors. The audit included interviews with appropriate personnel and included such tests of records and other supporting documentation as deemed necessary in the circumstances. We reviewed the internal control structure and compliance tests were performed. Sufficient competent evidential matter was gathered to support our conclusions.

BACKGROUND

The Fire Department's mission is to mitigate the threat to life and property from fire, medical, and other emergencies through education, prevention, community preparedness, emergency response, and recovery programs. For the period of our review, the Fire Department was comprised of Operations, Office of Emergency Management, Office of the Fire Marshal, Support Services and Fiscal, Information Systems, and Planning.

OVERALL OPINION

We conclude that overall, the Fire Department's central purchasing, warehouse operation, and inventory practices and procedures have adequate controls to safeguard assets, and operate efficiently and effectively.

The two performance measures tested were:

- Percentage of Emergency Incidents with Arrival of First Fire Company within eight minutes, and
- Percentage of Emergency Medical Incidents with Response Times by CSFD within six minutes.

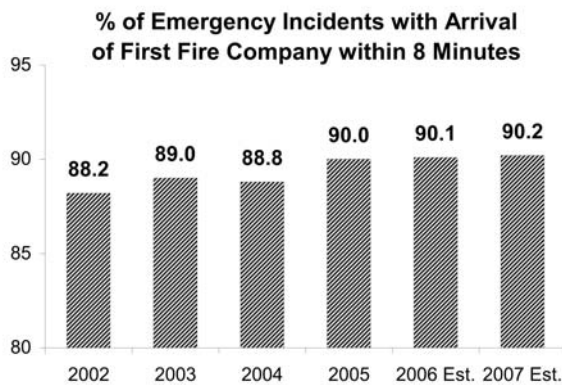
Introduction

We conclude that both performance measures met the objectives and characteristics of Concept Statement 2 of the Government Accounting Standards Board. Copies of the two performance measures tested are found on the next page.

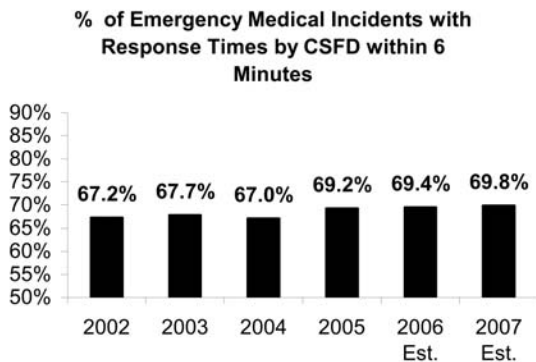
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Appendix A – Performance Measures Tested

The two performance measures tested during our review are reproduced below. They were taken from the City of Colorado Springs published Budget for 2007, pages 8-5 and 8-12 respectively.



The response time is defined as the time from when an emergency call is received by 911 until the first unit arrives on scene. In 2005, the CSFD achieved the objective of having the first unit on scene within eight minutes, 90 percent of the time. The relocation of Engine 14 in 2003 and the opening of Engines 19 and 20 in 2004 are helping to maintain response times in the northeast section of the city. The placement of trucks as second companies at Station 19 in 2005 and Station 17 in 2006 is expected to slightly improve coverage.



In 1999, City Council established a goal for response to emergency medical incidents of six minutes or less, 90 percent of the time. As the city has grown in geographic area and the workload has increased, the percentage of incidents with response times that meet the standard has declined. The addition of response units through PSST has helped keep the response levels from falling further.

When the time to arrival at the scene by either CSFD or the private ambulance company is considered, the percentage of incidents that meet the standard is higher. In 2005, joint coverage by month ranged from 73.8 to 78.4 percent. For the first five months of 2006, it ranged from 74.4 to 76.6 percent. Over the 17 month period, the joint coverage improved from below 74 percent in early 2005 to above 75 percent in the first five months of 2006.