



**INTERNAL AUDITOR'S
REPORT ON THE
STIPEND PROGRAM**

NOVEMBER 7, 2019

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Doña Ana County**

Mr. Fernando Macias,

The Doña Ana County Fire and Emergency Services Department consists of the Fire Administration overseeing 4 districts, operating out of 16 Fire Stations. The stations are staffed by approximately 300 volunteer firefighters and supplemented by 24 career firefighters who are stationed at the busiest stations in the county. They respond to medical emergencies, fires, automobile accidents, and rescue situations. The Fire Administration's mission is to provide quality fire and emergency services to the citizens of Doña Ana County consistent with the Constitutional directive to provide for the health, safety, and welfare of the general public.

When I began the audit of the Fire Administration, you requested feedback concerning the County's newly enacted Stipend Program. The Stipend Program was initially extended to 6 of the 16 Fire Stations in November of 2018, 5 of which participated. Since July of 2019, all Fire Stations with the exception of NMSU have been extended the opportunity to participate in the program. The program is currently allotted \$120,000.00 annually, paying out \$60,000.00 biennially. There are three Battalion Chiefs, who are paid \$500.00 each (biennially), leaving the remaining \$58,500.00 to be distributed to volunteers who accumulated points during the 6-month period. For the November 2019 payout, an estimated 196 volunteers have accumulated points.

Because the stipend program was initiated as a means of increasing the retention and response of volunteer fire fighters and emergency medical service personnel, this inquiry was made as a means of determining how effectively the program is accomplishing its goal. While I was only able to speak with one representative in another New Mexico County concerning the stipend program for their firefighters, he gave the program only a marginal amount of credit as a retention incentive, as their program is administered slightly different than Doña Ana County's.

PROGRAM OVERVIEW

The Doña Ana County Fire & Emergency Services Department issued a stipend program overview, outlining program eligibility requirements, procedures, and an explanation of how the program works. This overview can be referenced as an attachment to this report.

PROCESS

Initially (November 2018), six Fire Stations were offered the stipend, but only five stations decided to participate. During the months of September and October 2019, the internal auditor visited four of the five Fire Stations that were already participating in the Stipend Program. Individual interviews were conducted in the evenings, during the stations' scheduled weekly meetings, wherein the same series of questions were asked of all stipend recipients attending the meetings. Please note that not all recipients attended the meeting during the internal auditor's visit, thus not every recipient was interviewed.

As there was less than a 12-month period of quantifiable data, the inquiry focused upon the collection of qualitative data from program participants. While a series of questions were posed, only a few of the core questions posed and responses received are displayed below. Some questions have multiple responses (*direct quotes or paraphrases are italicized*), encompassing the majority of answers received.

QUESTIONS & RESPONSES

1. Is everyone equally encouraged to participate in the Stipend Program?
Overall, respondents answered 'Yes.'
2. How is staff encouraged to participate?
Volunteers are encouraged to complete their Fire Fighter 1 and/or Emergency Medical Services training so that they can qualify for program participation.
Station Chiefs notify volunteers of the program, during initial recruitment and during monthly business meetings.
One station automatically enrolls those who qualify for the program.
3. Can anyone who qualifies receive the stipend?
Overall, respondents answered 'Yes.'
4. Is only leadership getting the majority of points?
Overall, respondents answered 'No.'
Herein, participants were aware that they are offered numerous opportunities to gain points. Unbeknownst to some is the following: Per the program overview, Officers are allotted a standard amount of points for each 6-month period of activity, in addition to points received for calls answered, meetings attended, reports written, and trainings/classes received.
5. How does the program work? Please explain
Answers indicated that while many participants have a general concept of the program, most did not have a full understanding of it. In addition, the program overview does not appear to be all-inclusive in explaining the amount of money available to participants.
6. Is the program working as an incentive?
Most agreed that *the program is effective as an incentive*, but no one agreed that the stipend program affected their decision to volunteer for the Fire Administration.
Some found the program to be *a very small financial incentive*, if any at all.
Station Chiefs often emphasized the program as *an additional recruiting tool*.

The mixed responses for the question above prompted the next two follow up questions below.

7. Are you responding more often to calls, meetings, or training opportunities now versus pre-stipend?
Approximately one-third of participants stated 'Yes,' one-third stated 'No,' and one-third said they responded 'The same as before the program.' Again, most answers were qualified with statements that their participation or lack thereof was *not a direct reflection of the stipend program*.

Have you noticed higher attendance to meetings, calls, and trainings from others now vs pre-stipend?
Approximately one-third of participants stated 'Yes,' one-third stated 'No,' and one-third said attendance is 'The same as before the program.'

8. How much does the stipend help you?
 The consensus was that the stipend offered *money for fuel, or put a little extra money in the pocket at strategically good times of the year*. It was noted that age wise, younger volunteers consistently showed a bit more enthusiasm towards answering this question, than older volunteers.
9. What do you like about the stipend program?
One feels rewarded for the time and effort contributed, as we receive something financial for our time;
It indicates to new people that there is value to what they do;
It serves as a token of appreciation;
It gives back for efforts that you give;
We get something for our time;
I feel rewarded; I feel acknowledged;
It is some token of appreciation, and everyone can participate;
The County finally realizes that volunteers deserve something;
It says thank you
Payments are received at important times of the year, for both summer breaks and the Holiday season;
It serves to peak people's interest
10. What do you NOT like about the stipend program?
 The answer most often received was, *the value of points is not specified*.
 Other responses included the following –
Utilizing the ERS (Emergency Reporting System) system to input point data is a challenge;
There is a not a clear understanding of particulars for how the program works;
Getting the initial paperwork completed is a challenge;
The payments are not frequent enough
11. Is the Stipend Program influencing your decision to stay?
 Overall, respondents answered 'No.' One respondent answered, 'Yes.'
12. Do you have any issues about how the program is administered?
 Overall, respondents answered 'No.'
 The only other response received spoke to the *unfairness of rewarding substandard performance by only extending the program to Fire Stations with low ISO (Insurance Services Office) scores*.
 NOTE: Since the beginning of this inquiry, the Stipend Program has been extended to include all Fire Stations, with the exception of NMSU, 24-hour station.
13. Do you see others receiving points unfairly or abusing the program?
 Overall, respondents answered 'No.'
14. What else would boost participation?
 The stipend program serves as *an incentive to attract new members, and it is a step in the right direction*. There were a number of other suggestions not listed, which were not directly

related to the Stipend Program.

In addition to the data collected above, the Fire Administration shared the following limited statistical data (Point Tally). Herein, the internal auditor was able to acquire statistics on four of the five stations actively participating in the stipend program. A review of activity for a 2-month period in Calendar Year 2019 revealed that of the four stations, two stations showed that all roster participants acquired at least 1 point during each month; 1 station indicated that 17% of participants were inactive during one month, and 31% were inactive during the next month, acquiring 0 points during each month; and 1 station indicated that 23% of participants were inactive during one month, and 25% were inactive during the next month, acquiring 0 points during each month.

ANALYSIS

Per responses above, the Inquiry determined that Station Chiefs gave notification of the Stipend Program to all who may have been interested. Herein, volunteers have been encouraged to participate, or at least become qualified to participate in the program, which is open to all who are certified. While Station Chiefs explained the program, responses indicated that an understanding of program details varied greatly amongst participants. Some do not understand the multiple means of accumulating points, nor that Battalion Chiefs and Station Officers are allotted a standard amount of points for each 6-month period of activity.

While many responded that the program is working as an incentive, purported performances did not support this. Herein, only a minority of participants (one-third or less) agreed that participation increased since the stipend program's beginning, but not necessarily due to the stipend incentive. The limited statistical data above shows a variance in station to station participation, with two stations reporting 100% participation (roster participants acquired at least 1 point during each 30-day period), while two stations reported an average of 75% participation.

The stipend clearly offers a financial reward for some to participate more, however the program's greatest attribute did not appear to be financial in nature. Thus, participants prized the show of appreciation just as much or in some cases more than the money itself. The lack of focus on financial incentive could stem from not having a thorough understanding of the program or from the unspecified value of points, which was the answer most often heard when inquiring about program weakness. Of all participants interviewed, only one gave the program credit for influencing their decision to continue volunteering.

RECOMMENDATIONS

The varying number of answers to the question of how the Stipend Program works indicates that most have a general concept of the program. However, respondents were not able to give many details of the program. This prompts the Inquiry to recommend that a copy of the two-paged Stipend Program Overview be attached to the bulletin boards in each Fire Station, allowing all participants the opportunity to review the program particulars. In addition, both the Program Overview as well as Station Chiefs should explain some of the details to volunteers who inquire about the mathematics or calculations made in determining program allotments.

During this Inquiry, all respondents interviewed joined as volunteers before the Stipend Program commenced. If there is a desire to gain a true understanding of program results through

quantitative measures, the Inquiry recommends that all Fire Stations participating in the program record applicable data (input into the ERS meeting attendance, training participation to include length of time to complete courses, and calls answered) over at least a one-year period, and compare these records to pre-program meetings, trainings, and call records. This also would allow for expanding the research to find out if the Stipend Program influenced decisions to become volunteers. In addition, Fire Station Point Tally data for each month since the program began, could also shed light on patterns of participation.

CONCLUSION

The Stipend Program is intended to provide a realistic incentive to increase the retention of and responses by volunteer firefighters and Emergency Medical Services personnel. As the program is yet in its infancy, with just under a year of existence, it is indeterminate as to whether it is or is not accomplishing that goal. While volunteers admitted that they would still be contributing members regardless of the program, all of the volunteers interviewed had joined the Fire Administration before the Stipend Program came into existence. Thus, the Inquiry cannot definitively conclude that newer volunteers would or would not join and seek certification any sooner without the program.

However, the pattern of responses that consistently emerged during interviews indicate that the program brings along with it (or has developed into) an inherent incentive, as volunteers have attached more of a morale-like value than a financial one to the Stipend Program. Thus, the program has given rise to a sentiment of the County showing appreciation towards volunteers for what they do. Recent fallout from rising ISO ratings compelled the County to act. One of the actions taken was implementing the Stipend Program. Preliminary evidence supports the County's continuance of the Stipend Program, as a discontinuance could be misinterpreted as disincentivizing or a devaluing by the County for the efforts of its volunteers. Definitively determining achievement of the program's goal will require the consideration of more data, which will require the passage of more time to accumulate said data.



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2 November 2023

Date

Internal Auditor – Doña Ana County