



PRINCE WILLIAM COUNTY, VIRGINIA

Prince William County, Virginia

Internal Audit of Four Volunteer Fire & Rescue Companies:

- Lake Jackson Volunteer Fire Department
- Nokesville Volunteer Fire Department
- Occoquan-Woodbridge-Lorton Volunteer Fire Department
- Yorkshire Volunteer Fire Department

Report Date: September 21, 2015

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September 21, 2015

The Audit Committee of
 Prince William County, Virginia
 1 County Complex Court
 Prince William, Virginia 22192

Pursuant to the approved internal audit plan for Prince William County, Virginia (“County” “PWC”), we hereby present the internal audit of four (4) Volunteer Fire & Rescue Companies. A summary of the results from the Internal Audit of each Volunteer Fire & Rescue Company (“Companies”, “Company”) was presented to the Prince William County Fire & Rescue Association (“FRA”) Executive Committee on November 4, 2015. We will be presenting this report to the Audit Committee of Prince William County at the next scheduled meeting on December 15, 2015. The Volunteer Fire & Rescue Companies selected for this internal audit are as follows:

- Lake Jackson Volunteer Fire Department – Station 7
- Nokesville Volunteer Fire Department – Station 5 & 25
- Occoquan Woodbridge Lorton Volunteer Fire Department – Station 2, 12 & 14
- Yorkshire Volunteer Fire Department – Station 8

Our report is organized in the following sections:

Executive Summary	This provides a summary of the issues related to our internal audit of the selected Volunteer Fire & Rescue Companies.
Background	This provides an overview of the Volunteer Fire & Rescue Companies’ organizational structure with the County.
Objectives and Approach	The internal audit objectives and focus are expanded upon in this section as well as a review of the various phases of our approach.
Volunteer Fire & Rescue Company Overview and Issues Matrix	This section contains an overview of each Volunteer Fire & Rescue Company reviewed, any issues identified during our testing, recommended action and management response. Other matters noted during our procedures are also outlined within this section.

We would like to thank the various Volunteer Fire & Rescue Companies, the Prince William County Department of Fire & Rescue and all those involved in assisting our firm in connection with our internal audit of the selected Volunteer Fire & Rescue Companies.

Respectfully Submitted,

RSM US LLP

INTERNAL AUDITORS

Executive Summary

The Volunteer Fire & Rescue Companies selected for this internal audit are as follows:

- Lake Jackson Volunteer Fire Department – Station 7
- Nokesville Volunteer Fire Department – Station 5 & 25
- Occoquan Woodbridge Lorton Volunteer Fire Department – Station 2, 12 & 14
- Yorkshire Volunteer Fire Department – Station 8

We have worked closely with the identified Volunteer Fire & Rescue Companies, and it is our understanding, per their management responses, that they have already begun implementing procedures to remediate the issues and reduce the internal control risks noted within this report.

The objective of our internal audit focused on reviewing the internal control environment of certain financial and operational processes of the identified Volunteer Fire & Rescue Companies. This internal audit covered the following areas:

1. Board Governance – monitoring and oversight, including meeting minutes
2. Financial Operations (fire levy and non fire levy)
 - Cash Receipts and Disbursements
 - Revenues
 - Expenditures
 - Liabilities
 - Property Plant and Equipment
3. Compliance with County Contract, PWC Code Chapter 9.1, Fire & Rescue Association Policies and Procedures and Virginia Emergency Medical Services (“EMS”) Regulations
 - Incident Response and Reporting
 - Member Staffing
 - Member Screening
 - Member Training and Certification

We have provided current comparative financial and other data for each selected Company in their section of the report, which includes the following categories:

- Station Location(s)
- Membership
- Selected Financial Data
- Response Time
- Governing Board
- Company Administration
- Apparatus
- Comments - identification of any other significant data

Our approach consisted of gathering the data for the categories noted above from the County and the respective Companies. We collected data for periods ranging from fiscal years ended 2013-2016 to provide the opportunity for trend analysis for selected financial data and response times. The timing of testing for each of the four (4) selected Companies was at their preference. During the course of our internal audit of the selected Companies, we obtained an understanding and reviewed the County’s current practices of monitoring, communication, etc. Our approach focused on determining whether proper controls exist and whether existing controls are appropriate for mitigating certain financial and operational inherent risks.

Executive Summary - continued

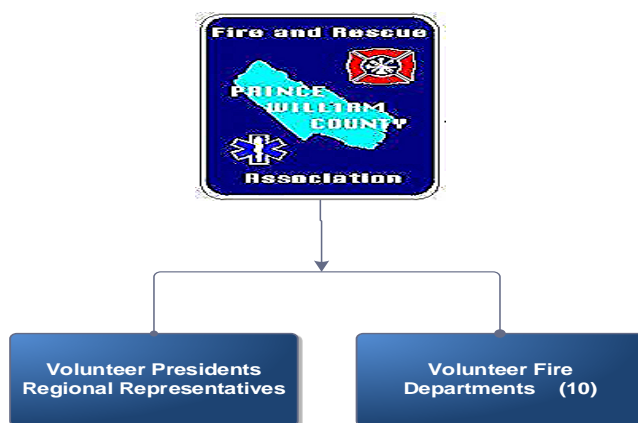
Organizational Structure and Relationship with the County

The Prince William County FRA is an organization that encompasses all of the volunteer fire and rescue companies operating in the County and the Prince William County Department of Fire & Rescue (“DFR”), and is charged with the overall governance and supervision of all fire and rescue services lawfully provided in the County. Currently, there are ten (10) Volunteer Fire and Rescue Companies located within the County, each of which operates independently (but cooperatively) through an agreement with the Board of County Supervisors (“BOCS”).

Per County Ordinance Number 09-51 dated August 4, 2009, the County repealed the existing Chapter 9 and adopted PWC Code Chapter 9.1. PWC Code Chapter 9.1 reestablished the Prince William County Fire & Rescue Association to provide for the coordination and provision of reliable and high quality fire, rescue and emergency medical services by the combined personnel of the DFR, and the County’s volunteer companies. The FRA consists of the DFR and each volunteer fire, rescue or fire and rescue company, and is governed by a Board of Directors and an executive committee of the Board of Directors. Pursuant to PWC Code Chapter 9.1, the chairman of the FRA is the DFR Chief and the vice chairman is a chief of a Company that is elected by the FRA Board of Directors.

The Companies are each governed by an individual Board of Directors, and are managed and staffed primarily by volunteer and career firefighters assigned by the DFR as needed. Each Company has a volunteer Chief that is elected by the membership of the respective Company. This volunteer Chief and his/her line officers handle the daily operational tasks of the Company. Additionally, almost all Companies elect their administrative officers, including President, Vice President, Secretary, Treasurer and a Board of Directors. The President is responsible for handling administrative tasks of the Company as well as managing the not-for-profit activities of the department, such as fundraising. In 2009, each Company entered into an agreement with the BOCS in which the County agreed to allocate fire levy funds as outlined in Chapter 9.1 and the respective the Company agreed to remain in good standing with the FRA and implement, comply with, and be subject to all FRA policies and procedures, provisions with PWC Code Chapter 9.1 and other applicable County, State and Federal regulations. The County allocation of funds to the Company is contingent on compliance.

Prince William County Fire & Rescue Association



Executive Summary - continued

Funding Sources

County-wide Fire Levy

The County-wide fire levy was established in April 2001. Prior to this time, there were individual levies based on volunteer company first due boundaries. In December 2000, after the BOCS directed the FRA and DFR to conduct an analysis of the levy system and explore alternatives to individual rates, a Financial Analysis Task Group formed and conducted comprehensive review of alternatives and the BOCS adopted the recommended county-wide fire levy rate on April 17, 2001. The benefits of the County-wide fire levy are that it is a planned, stable funding source to finance and build new Fire and Rescue Stations identified in a station location plan, and it can fund system-wide initiatives, as well as provide stability for annual company operating budgets. The following table represents expenditures of the Volunteer Fire & Resource Companies and Programs as presented in the County's budget documents from FYs 2013 - 2016:

Expenditure by Company/Program	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
PWC Antioch- Station 24*	\$ 399,110	\$ 372,958	\$ 616,831	\$ 616,831
Bacon Race - Station 26	-	-	-	1,200,000
Buckhall- Station 16	1,161,763	470,197	697,975	700,420
Coles- Station 6****	739,198	590,958	844,782	844,782
Dale City (Neabsco) - Stations 10, 13, 18, 20	3,522,081	3,223,131	3,728,842	3,729,963
Dumfries-Fire- Stations 3F, 17	1,645,627	1,496,065	1,533,644	1,535,009
Dumfries-Rescue- Stations 3R, 17	537,745	581,051	681,407	681,918
Evergreen- Station 15	586,656	522,892	620,072	620,702
PWC Gainesville*- Station 4	577,738	399,777	697,944	697,937
Lake Jackson- Station 7	892,097	808,573	763,675	765,124
Nokesville- Station 5, 25	1,345,839	1,444,184	1,621,057	1,671,057
Occoquan-Woodbridge-Lorton - Station 2, 12, 14	3,118,330	2,506,430	3,118,866	3,119,706
River Oaks- Station 23**	292,047	354,580	510,300	570,300
Stonewall Jackson- Station 11	1,187,296	843,647	928,492	929,458
Yorkshire- Station 8	670,411	626,281	703,606	706,086
Various Programs***	17,414,845	12,769,882	17,179,776	18,582,182
TOTAL - All Companies/Programs	\$ 34,090,783	\$ 27,010,606	\$ 34,247,269	\$ 36,971,475
TOTAL - 4 Companies	\$ 6,026,677	\$ 5,385,468	\$ 6,207,204	\$ 6,261,973

* PWC Antioch – Station 24 – was combined with PWC Gainesville – Station 4 in FY 2011

** River Oaks- Station 23 – DTRS maintains the building and multiple apparatus, but the Station is manned 24/7 by the DFR career fighters.

***Various Programs – 800 MHz/MDT Technology Fund, county-wide Capital Fund, Levy Support to DFF, Line of Duty Death Act, FRA Board of Directors Set Aside and Apparatus Funds, FRA Membership Initiative and NFPA Medical.

****Coles was taken over by the DFR October 2014

The following represents current and previously adopted fire levy rates:

Fiscal Year	Levy Rate in Cents
FY 2013	7.44
FY 2014	7.27
FY 2015	7.07
FY 2016	6.91

Other Revenue Sources

The Companies can also derive funding from various fundraising activities such as bingo events, donations, state aid, and other activities.

The following section provides a summary of the issues identified during our procedures. We have assigned relative risk factors to each Issue identified. A summary of issues identified and their relative risk rating is provided below. This is the evaluation of the severity of the concern and the potential impact on the operations. There are many areas of risk to consider including financial, operational, and/or compliance as well as public perception or 'brand' risk when determining the relative risk rating. Items are rated as High, Moderate, or Low.

- *High Risk Items* are considered to be of immediate concern and could cause significant operational issues if not addressed in a timely manner.
- *Moderate Risk Items* may also cause operational issues and do not require immediate attention, but should be addressed as soon as possible.
- *Low Risk Items* could escalate into operational issues, but can be addressed through the normal course of conducting business.

The details of these Issues are included within the Overview and Issues Matrix section of this report.

Issues	Risk Rating
Board Governance	
1. Board Governance:	High
The most recent external audit of the financial statements for this volunteer company was for fiscal year 2008. We are unaware if an external audit is currently in progress for FY 2015. Per FRA Procedure 3.1.1 "FRA member volunteer companies shall obtain and submit to the FRA Budget Task Force, on a tri-annual basis, any audit financial statements and management letters issued by the auditor."	
Financial Operations	
2. Bank Reconciliations, including Segregation of Duties	High
During our review of procedures related to bank reconciliations we were unable to validate that the bank reconciliations are reviewed by the Treasurer on a monthly basis. We also noted the Bookkeeper or Treasurer receives the monthly bank statements opens and reviews the statement.	
3. County Purchasing Regulations, including Conflicts of Interest	High
During our testing of cash disbursements we noted the following: <ul style="list-style-type: none"> • Payments exceeding \$7,500 for 3 vendors, without evidence of adhering to County regulations requiring 3 written quotes. The following is the list of vendors and the payments to them from 7/1/2014 to 2/28/2015: <ul style="list-style-type: none"> ○ New Baltimore Garage - \$8,022.41 ○ East to West - \$10,380.63 ○ Finlay Fire - \$11,892.21 • In addition there were 11 vendors who were paid between \$1,000 and \$7,500 year to date at the time of testing, but no evidence was available that 3 verbal quotes had been solicited. 	
4. Employment Contracts	Moderate
The Company has 1 non-volunteer paid employee. The company does not have a signed employment contract on file. We were unable to validate accuracy of the employee's pay.	
5. Sales Tax	Low
During the course of our procedures related to expenditures it was noted the Company incurred sales tax totaling \$119.79 in 2 of 25 disbursements sampled.	

Issues	Risk Rating
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations	
6. Background Screenings	High
<p>During our testing of background screenings for a sample of 20 active volunteer members, we noted the following:</p> <ul style="list-style-type: none"> • A DMV check and review was performed five (5) years after the member’s service date for one (1) active volunteer member. • There was no evidence of performance of a criminal check and review for four (4) active volunteer members. 	
7. Medical Clearances:	Moderate
<p>During our testing of medical clearances for a sample of 20 active volunteer members, we noted that three (3) active volunteer members sampled did not have any record of a baseline medical evaluation on file.</p>	
Certifications	No Rating
<p>The FRA had adopted Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County through Res. 13-73 dated October 16, 2013 with an implementation date of January 1, 2015. The FRA has granted an extension to incumbent members through June 30, 2017, via Res. 14-61 dated November 19, 2014. As of our testing we noted that 7 incumbent active volunteer members out of 20 sampled were missing one (1) or more minimum training requirements as per the Uniform Rank Structure.</p>	

Issues	Risk Rating
Board Governance	
1. Board Governance:	High
<p>We noted the following:</p> <p><u>Audited Financial Statements</u> The most recent external audit of the financial statements for this volunteer company was for fiscal year 2008. We are unaware if an external audit is currently in progress for FY 2015. Per FRA Procedure 3.1.1 “FRA member volunteer companies shall obtain and submit to the FRA Budget Task Force, on a tri-annual basis, any audit financial statements and management letters issued by the auditor.”</p> <p><u>Financial Reports</u> Article 7, Section 4(3) of NVFD’s Constitution states that the "the Treasurer shall file a monthly and audited annual report of the financial status of the company." We noted no evidence of financial information being presented to the Board at the October 2014 Board meeting per review of the meeting minutes.</p> <p><u>Administrative and Operational Authority</u> The NVFD constitution gives administrative authority to the President and operational authority to the Chief. The constitution states that the President “shall be the Executive Officer of the Company, as such, he shall officially represent the company on administrative business and is authorized to sign official documents on behalf of the company.” The NVFD states the duties of the Chief are; “The Chief is empowered to be the commanding line (chief operating) officer with respect to fire and rescue. It shall be the chief’s duty to establish the running rules, operating policies relating to apparatus and equipment, and enforce the same. Such running rules and operating policies shall be subject to approval by majority vote of the membership.”</p> <p>We noted the following exceptions as they relate to the administrative control:</p> <ul style="list-style-type: none"> • A pay increase was given to two (2) employees of NVFD in January 2015. The pay increases were to full-time Business Manager, a related party to the Chief in place at the time of the internal audit, and to the part-time Administrative Assistant. The base pay of the Business Manager was increased from \$60,320 to \$67,650, an increase of 12%. The rate of pay for part-time Administrative Assistant was increased from \$17.50 an hour to \$18.00 an hour, an increase of 2.9%. • On 1/23/2015, a retro pay of \$5,250 was given to the Business Manager for a retro adjustment of pay from 7/1/2014 to 1/23/2015. <p>The pay increases and retro pay were approved by the Chief who does not have administrative authority per NVFD’s constitution.</p>	

Issues	Risk Rating
Financial Operations	
2. Bank Reconciliations	High
<p>During our review of procedures related to bank reconciliations we were unable to validate the bank reconciliations are reviewed by the Treasurer on a monthly basis. We also noted the Business Manager (who also performs the bank reconciliation) or Treasurer receives the monthly bank statements opens and reviews the statement.</p>	
3. Purchasing Regulations, Include Conflicts of Interest	High
<p>During our testing of cash disbursements we noted the following:</p> <ul style="list-style-type: none"> • Payments exceeding \$50,000 for 1 vendor, without evidence of adhering to County regulations requiring competitive bid or negotiations. Payments to Finlay Fire Apparatus and Equipment Repair, Inc. amounted to \$104,865.69 from 7/1/2014 to 4/21/2015. Finlay Fire Apparatus and Equipment Repair, Inc. is a related party to a NVFD Assistant Chief. • Payments exceeding \$15,000 for 3 vendors, without evidence of adhering to County regulations requiring competitive bid or negotiations. The following is the list of vendors and the payments to them from 7/1/2014 to 4/21/2015: <ul style="list-style-type: none"> ○ Rader Tire - \$23,584.26 ○ Hickerson Brothers - \$22,185, related party to the Chief at the time of the internal audit ○ Blue Pixel Technologies - \$14,865.69 • Payments exceeding \$7,500 for 3 vendors, without evidence of adhering to County regulations requiring 3 written quotes. The following is the list of vendors and the payments to them from 7/1/2014 to 4/21/2015: <ul style="list-style-type: none"> ○ Heavy Fleet - \$11,095.18 ○ Manassas Chevrolet - \$9,214.31 ○ Capital Rentals - \$9,002.70 • In addition there was 1 vendor, Embroider Me who was paid between \$1,000 and \$7,500 year to date at the time of testing, but no evidence was available that 3 verbal quotes had been solicited. 	
4. Employment Contracts	Moderate
<p>The Company has 2 non-volunteer paid employees (1 full-time and 1 part-time). The company does not have signed employment contracts on file. We were unable to validate accuracy of the employees' pay.</p>	
5. Sales Tax:	Low
<p>During the course of our procedures related to expenditures it was noted the Company incurred sales tax totaling \$125.79 in 2 of 28 disbursements sampled.</p>	
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations	
6. Background Screenings:	High
<p>During our testing of background screenings for a sample of 20 active volunteer members, we noted the following:</p> <ul style="list-style-type: none"> • There was no evidence of performance of a DMV check and review for ten (10) active volunteer members. Service dates for these 10 active volunteer members were from 2009 to present. • There was no evidence of performance of a criminal check and review for ten (10) active volunteer members. Service dates for these 10 active volunteer members were from 2009 to present. 	
Certifications	No Rating
<p>The FRA had adopted Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County through Res. 13-73 dated October 16, 2013 with an implementation date of January 1, 2015. The FRA has granted an extension to incumbent members through June 30, 2017, via Res. 14-61 dated November 19, 2014. As of our testing we noted that 5 incumbent active volunteer members out of 20 sampled were missing one (1) or more minimum training requirements as per the Uniform Rank Structure.</p>	

Issues	Risk Rating
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations	
1. Background Screenings:	Low
<p>During our testing of background screenings for a sample of 20 active volunteer members, we noted the following:</p> <ul style="list-style-type: none"> We were unable to validate if a DMV check was performed upon date of service, or at least by implementation of PWC Code Chapter 9.1 (9.1-16(d)), for four (4) active volunteer members. The DMV checks on file were performed on 2015 and the service dates ranged from 1989 - 2003. We were unable to validate if a criminal background check was performed upon date of service, or at least by implementation of PWC Code Chapter 9.1 (9.1-16(d)), for five (5) active volunteer members. The criminal background checks on file were performed on 2015 and the service dates ranged from 1989 - 2012. 	
Certifications	No Rating
<p>The FRA had adopted Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County through Res. 13-73 dated October 16, 2013 with an implementation date of January 1, 2015. The FRA has granted an extension to incumbent members through June 30, 2017, via Res. 14-61 dated November 19, 2014. As of our testing we noted that 3 incumbent active volunteer members out of 20 sampled were missing one (1) or more minimum training requirements as per the Uniform Rank Structure Policy.</p>	

Issues	Risk Rating
Board Governance	
1. Board Governance:	High
<p>The most recent external audit of the financial statements for this volunteer company was for fiscal year 2008. We are unaware if an external audit is currently in progress for FY 2015. Per FRA Procedure 3.1.1 "FRA member volunteer companies shall obtain and submit to the FRA Budget Task Force, on a tri-annual basis, any audit financial statements and management letters issued by the auditor."</p>	
Financial Operations	
2. Bank Reconciliations	High
<p>During our review of procedures related to bank reconciliations we were unable to validate that the bank reconciliations are reviewed on a monthly basis performed by the Bookkeeper/Treasurer (same person).</p>	
3. County Purchasing Regulations, including Conflicts of Interest	High
<p>During our testing of cash disbursements we noted the following:</p> <ul style="list-style-type: none"> • Payments exceeding \$7,500 for 2 vendors, without evidence of adhering to County regulations requiring 3 written quotes. The following is the list of vendors and the payments to them from 07/01/2014 to 02/28/2015. <ul style="list-style-type: none"> ○ Rader Tire - \$9,379.00 ○ MCPSE - \$10,943.21 • In addition there were 12 vendors who were paid between \$1,000 and \$7,500 year to date at the time of testing, but no evidence was available that 3 verbal quotes had been solicited. 	
4. Cash Disbursements	Moderate
<p>During testing of 25 cash disbursements, we noted the following:</p> <ul style="list-style-type: none"> • Two (2) disbursements, disbursements in the amounts of \$3,526 and \$452, lacked authorization as required by the Company's Standard Operation Procedure A-8-02. • The company received a reimbursement from the County in the amount of \$632, but the amount paid to the vendor was \$539. No evidence was provided for an adjustment of the \$93 difference. 	
5. Sales Tax	Low
<p>During the course of our procedures related to expenditures it was noted the Company incurred sales tax totaling \$33.90 in 1 of 25 disbursements sampled.</p>	
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations	
6. Background Screenings:	Low
<p>During our testing of medical clearances for a sample of 20 active volunteer members, we noted that one (1) active volunteer members had a baseline medical examination performed ten (10) months after their date of service.</p>	
Certifications	No Rating
<p>The FRA had adopted Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County through Res. 13-73 dated October 16, 2013 with an implementation date of January 1, 2015. The FRA has granted an extension to incumbent members through June 30, 2017, via Res. 14-61 dated November 19, 2014. As of our testing we noted that 7 incumbent active volunteer members out of 20 sampled were missing eleven (11) or more minimum training requirements as per the Uniform Rank Structure.</p>	

FRA-Level Observations:

Company Audited Financial Statements - Per PWC Code Chapter 9.1 Article 1 Section 9.1.12 Fire and Protection – Audit Policies (a)

“The executive committee and board of directors shall adopt policies and procedures regarding the conduct of financial, recordkeeping, and management audits by independent auditors, consistent with the provisions of this chapter, and the direction of the director of finance. Such policies and procedures shall, among other things, provide for audits of each FRA member not less often than once every three years.”

And Per PWC FRA Procedure Financial Statesmen External Audit Review 3.1.1

“FRA member volunteer companies shall obtain and submit to the FRA Budget Task Force, on a tri-annual basis, any audited financial statements and management letters issued by the auditor.”

Only one of four of the Volunteer Fire & Rescue Companies reviewed had a financial statement audit performed within the past 3 years. The other three volunteer companies did not have an audit scheduled, as required by Chapter 9.1 and related FRA Procedure.

Audited financial statements are intended to provide reasonable, but not absolute, assurance, that the financial statements are presented fairly, in all material respects, and/or give a true and fair view in accordance with the financial reporting framework.

We recommend that the FRA develop a schedule/timeline of the financial statement audits for the Volunteer Fire & Rescue Companies. This timeline should include the fiscal year end requiring a financial statement audit and when the financial statement audits, including management letter comments and management response, are required to be remitted to the FRA for monitoring. No report should be issued and remitted more than 3 months from the respective Volunteer Fire & Rescue Company’s fiscal year end, as the information can become less relevant and less usable as time passes.

Background

Background

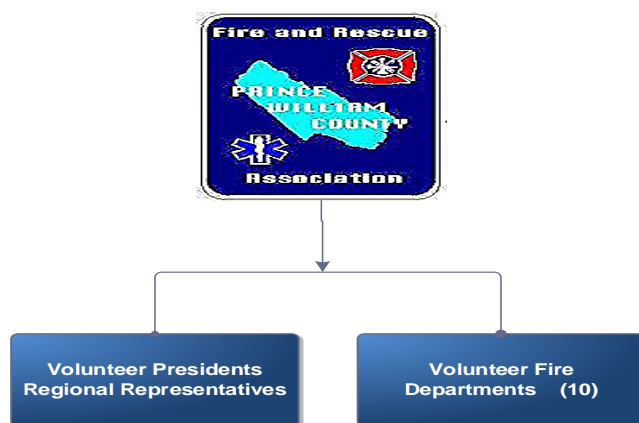
Organizational Structure and Relationship with the County

The Prince William County FRA is an organization that encompasses all of the volunteer fire and rescue companies operating in Prince William County and the Prince William County DFR, and is charged with the overall governance and supervision of all fire and rescue services lawfully provided in the County. Currently, there are ten (10) Volunteer Fire & Rescue Companies located within Prince William County, each of which operates independently (but cooperatively) through an agreement with the BOCS.

Per County Ordinance Number 09-51 dated August 4, 2009, the County repealed the existing Chapter 9 and adopted PWC Code Chapter 9.1. PWC Code Chapter 9.1 reestablished the Prince William County Fire & Rescue Association to provide for the coordination and provision of reliable and high quality fire, rescue and emergency medical services by the combined personnel of the DFR, and the County's volunteer companies. The FRA consists of the DFR and each volunteer fire, rescue or fire and rescue company, and is governed by a Board of Directors and an executive committee of the Board of Directors. Pursuant to PWC Code Chapter 9.1, the chairman of the FRA is the Chief DFR and the vice chairman is a chief of a Company that is elected by the FRA Board of Directors.

The Companies are each governed by an individual Board of Directors, and are managed and staffed primarily by volunteer firefighters, with career firefighters assigned by the DFR as needed. Each Company has a volunteer Chief that is elected by the membership of the respective Company. This volunteer Chief and his/her line officers handle the daily operational tasks of the Company. Additionally, almost all Companies elect their administrative officers, including President, Vice President, Secretary, Treasurer and a Board of Directors. The President is responsible for handling administrative tasks of the Company as well as managing the not-for-profit activities of the department, such as fundraising. In 2009, each Company entered into an agreement with the BOCS in which the County agreed to allocate fire levy funds as outlined in Chapter 9.1 and the respective the Company agreed to remain in good standing with the FRA and implement, comply with, and be subject to all FRA policies and procedures, provisions with PWC Code Chapter 9.1 and other applicable County, State and Federal regulations. The County allocation of funds to the Company is contingent on compliance.

Prince William County Fire & Rescue Association



Background - continued

Funding Sources

The DFR is an agency of the Prince William county government that participates in the annual county-wide budget process which is coordinated through the Office of Executive Management (“OEM”) and Office of Management and Budget (“OMB”). As an agency, it participates in all exercises, initiatives and processes defined by OEM and OMB including Budget Congress. The DFR identifies critical unmet needs as part of the annual process. These critical unmet needs are communicated to other county agencies, the County Executive and BOCS members. The FRA is not involved in the mechanics of DFR participation as a county agency in the annual budget process. With regard to career staffing to address critical unmet system-wide needs, the DFR Chief communicates his and the DFR’s highest priorities, including staffing initiatives, to the FRA and asks the FRA to support the DFR’s annual staffing initiatives within the County’s established process.

The County-wide fire levy was established in April 2001. Prior to this time, there were individual levies based on volunteer company first due boundaries. In December 2000, after the BOCS directed the FRA and DFR to conduct an analysis of the levy system and explore alternatives to individual rates, a Financial Analysis Task Group was formed to conduct a comprehensive review of alternatives and the BOCS adopted the recommended county-wide fire levy rate on April 17, 2001. The benefits of the County-Wide fire levy are that it is a planned, stable funding source to finance and build new Fire and Rescue Stations identified in a station location plan, and it can fund system-wide initiatives, as well as provide stability for annual company operating budgets.

Prince William County Code Chapter 9.1 Sec 9.1-15 states that

“all member companies of the FRA shall comply with government services planning, budgeting and accountability and the principles of sound financial management as promulgated by the Director of Finance.”

In Section 9.1-9, the FRA Executive Committee is given authority to develop guidelines for the consistent preparation of budgets. DFR staff is tasked with ensuring adherence to financial regulations and County guidelines. The FRA Budget Task Group, which was established by the FRA Executive Committee, is tasked with recommending policy guidance to the FRA Executive Committee and developing any needed mechanics in developing budgets. Additionally, the FRA Budget Task Group reviews budget and carry over requests and makes recommendations on the funding of system-wide initiatives. Policy guidance rests with the FRA Executive Committee.

Each Company’s operating budget was “grand-fathered” at the time the county-wide fire levy was established, meaning that each Company’s expenditure budget stayed the same as it was. The annual budget process mirrors that of county government and can be summarized as follows:

- The various Companies’ base operating budgets for the next fiscal year are established at the same level as the current fiscal year adopted budgets.
- If the County deems it necessary to increase fuel and utility budgets based on industry and economic data, those line items are increased accordingly in Companies’ operating budgets (for example, if the fleet fuel budget gets a 3% increase, each Company’s operating budget fuel line item receives a 3% increase).
 - These budget increases, in accordance with county government increases, have been the only operating increases in several years since there has not been a process to allow for operating requests by companies due to system-wide needs (*explained below).

Background - continued

Fire Levy Funds and Budgeting – continued

- The fire levy funds system-wide expenses and initiatives listed below; these are funded at the appropriate annual level before any new items are funded.
 - Debt on prior capital projects
 - 800 MHz radio project, infrastructure and equipment, for all providers (career and volunteer)
 - Mobile Data Computers and EMS/Safety Pad project, infrastructure and equipment, for all providers (career and volunteer)
 - SCBA air pack replacement for all providers (career and volunteer)
 - System-wide annual medical physicals in accordance with PWC Code Chapter 9.1
 - System-wide Line of Duty Death Act funding requirement
 - System-wide equipment – annual maintenance/operations and future replacement, including: video-conferencing, hazmat monitors, Station Alerting, signal prioritization
 - Information Technology – funding for system-wide purchased computers and volunteer network log-ins, etc in accordance with PWC seat management practice and funding model
 - Fire levy support to previously funded DFR positions (as recommended by FRA and County Executive and adopted by BOCS in prior annual budgets)
 - Specialty piece apparatus

*After all existing financial commitments are funded, there is an indication if there is revenue capacity to fund any new initiatives. If this is the case, the Chair of the FRA and Chair of the FRA Budget Task Group engage in discussions and a process to identify fire and rescue system critical needs – which may be equipment, capital projects, and/or career staffing. The FRA and FRA Budget Task Group chairs make a recommendation on the entire fire levy budget, including consideration for new initiatives (if applicable) to the FRA Executive Committee and FRA Board of Directors for endorsement to send to the County Executive. The County Executive is the final decision-maker relative to priorities, career staffing and use of funding sources for fire and rescue critical unmet needs.

The following table represents expenditures of the Volunteer Fire & Resource Companies and Programs as presented in the County's budget documents from FYs 2013 - 2016:

Expenditure by Company/Program	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
PWC Antioch- Station 24*	\$ 399,110	\$ 372,958	\$ 616,831	\$ 616,831
Bacon Race - Station 26	-	-	-	1,200,000
Buckhall- Station 16	1,161,763	470,197	697,975	700,420
Coles- Station 6****	739,198	590,958	844,782	844,782
Dale City (Neabsco) - Stations 10, 13, 18, 20	3,522,081	3,223,131	3,728,842	3,729,963
Dumfries-Fire- Stations 3F, 17	1,645,627	1,496,065	1,533,644	1,535,009
Dumfries-Rescue- Stations 3R, 17	537,745	581,051	681,407	681,918
Evergreen- Station 15	586,656	522,892	620,072	620,702
PWC Gainesville*- Station 4	577,738	399,777	697,944	697,937
Lake Jackson- Station 7	892,097	808,573	763,675	765,124
Nokesville- Station 5, 25	1,345,839	1,444,184	1,621,057	1,671,057
Occoquan-Woodbridge-Lorton - Station 2, 12, 14	3,118,330	2,506,430	3,118,866	3,119,706
River Oaks- Station 23**	292,047	354,580	510,300	570,300
Stonewall Jackson- Station 11	1,187,296	843,647	928,492	929,458
Yorkshire- Station 8	670,411	626,281	703,606	706,086
Various Programs***	17,414,845	12,769,882	17,179,776	18,582,182
TOTAL - All Companies/Programs	\$ 34,090,783	\$ 27,010,606	\$ 34,247,269	\$ 36,971,475
TOTAL - 4 Companies	\$ 6,026,677	\$ 5,385,468	\$ 6,207,204	\$ 6,261,973

* PWC Antioch – Station 24 – combined with PWC Gainesville – Station 4 in FY 2011

** River Oaks- Station 23 – DTRS maintains the building and multiple apparatus, but the Station is staffed 24/7 by the DFR career fighters and medics. DTRS provides staffing for a basic medic.

***Various Programs – 800 MHz/MDT Technology Fund, county-wide Capital Fund, Levy Support to DFF, Line of Duty Death Act, FRA Board of Directors Set Aside and Apparatus Funds, FRA Membership Initiative and NFPA Medical.

****Coles was taken over by the DFR October 2014

Background - continued

Governance

The following represents excerpts from the various Virginia Code and County policies and procedures utilized during this internal audit.

Prince William County Code Chapter 9.1
Article 1 Section 9.1-4 - Duties and responsibilities of volunteer companies.
Volunteer companies shall operate in accordance with their own bylaws, FRA policies and procedures, county ordinances, directives of the board of county supervisors and contractual obligations.
Article I Section 9.1-12. - Audit policies.
(a) The executive committee and board of directors shall adopt policies and procedures regarding the conduct of financial, recordkeeping, and management audits by independent auditors, consistent with the provisions of this chapter, and the direction of the director of finance. Such policies and procedures shall, among other things, provide for audits of each FRA member not less often than once every three years.
(b) Without limitation as to the purposes thereof, audits shall be made of financial operations, staffing, station conditions, company compliance with internal bylaws, compliance with county fiscal policies and procedures, FRA policies and procedures, operational capabilities and any other matter that may be deemed necessary to the effectuation of the board of county supervisors' policy with respect to the provision of fire, rescue, and emergency medical services pursuant to this chapter.
(c) In order to assure that public monies are expended consistently with applicable county and FRA policies and procedures, the members of the FRA shall make their financial records open for review by authorized officials of the county upon reasonable notice thereof.
(d) Notwithstanding any other provision hereof, whenever the county executive determines that examination and inspection of all or any portion of the records of a member of the FRA related to the expenditure of general or fire levy funds is prudent or necessary, or that financial reviews or audits are necessary to protect the interest of the public, each shall permit the county executive to inspect their business records relating to fire levy funds at such reasonable times and under such reasonable circumstances as the county executive may direct. Volunteer companies shall make available all records related to fire levy funds and shall cooperate fully in all financial reviews or audits of the company's business or operational affairs ordered by the county executive pursuant to this subsection.
(e) Audits shall be conducted by independent auditors selected by the executive committee and shall include volunteer members of the FRA.
Article I Section 9.1-13. - Financial affairs and audit advisory committee
There shall be a financial affairs and audit advisory committee responsible to the board of directors, comprised of the presidents of each volunteer company, which shall advise the board as to the development of budgets, financial operations, and all audits authorized in accordance with this chapter. The board or the executive committee may request the said committee to provide it advice and recommendations on any other matter that it shall deem advisable.
Article I Section 9.1-16. - Physical examinations, criminal background checks, and department of motor vehicle checks
(b) Notwithstanding the provisions of subsection (a), above, every person providing fire and/or rescue response, whether paid or volunteer, who is in the service or entering the service of the county, or the service of a political subdivision or volunteer fire and/or rescue company with which the county has contracted for fire and/or rescue service shall receive a baseline medical examination in accordance with NFPA 1582, and, thereafter, an annual medical examination in accordance with NFPA 1582.
(d) All career and volunteer personnel in or entering fire and rescue services, or the service of a political subdivision with which it has contracted for fire protection, shall agree to consent to undergo a criminal background check and a department of motor vehicle check. The results thereof shall be submitted to the county or the member company for consideration upon application, or as soon as practicable upon request for current and active members.
FRA Policies and Procedures
FRA Policy 1.1.5 Section 4.4 states Operational Member Requirement
Each FRA member department shall maintain a minimum of 20 operational members. Operational members will remain at all time a member in good standing of the FRA member department, and comply with all Chapter 9.1, FRA Policies and Procedures, and other applicable County, State and Federal regulations.

Background - continued

Governance – continued

FRA Policies and Procedures
FRA Procedure 1.4.1 – Reporting Requirements for Fire-EMS Incidents
<p>4.1 Each unit that is dispatched and responds or arrives at an incident is required to complete an incident report.</p> <p>4.1.1 An incident report (either RMS or PPCR) is required for all units on all incident types using approved Fire and Rescue Association reporting systems (RMS or SafetyPAD).</p> <p>4.1.2 An RMS incident report is required whenever a PPCR is inappropriate. This would include “fire” type incidents or where incident and unit actions are not patient-care related.</p> <p>4.2.2.1 SafetyPAD reports will be closed and sent to the server at the end of each incident.</p> <p>5.1 Units will complete their report(s) immediately following each fire or EMS incident, unless dispatched to another incident and in no case later than the end of the shift.</p>
FRA Procedure 3.3.3 – Use of Fire Levy for Volunteer Company Employees
<p>4.1 The County deems it appropriate to use fire levy taxpayer funding for reasonable and customary administrative and technical support services provided by employees in performance of volunteer fire and rescue company operations. The support services provided should be administrative or technical in nature specific to emergency response and company operations and it is not viable to utilize an existing county contract or develop a contract for the provision of this type of service. Services not covered by this policy upon the development of fire and rescue system-wide contracts include: facility, equipment, or vehicle maintenance; landscaping or grounds maintenance; information technology support; training.</p> <p>4.6 Expenditures utilizing the volunteer employee subsidy must be for payments to employees providing support services to the company exclusively. This includes reasonable hourly pay and any reasonable benefits the company provides. This can also include administrative expenses associated with payroll processing or benefit administration utilizing a contractual vendor. These individuals must be employees of the fire and rescue company as defined by IRS regulations, with W-2 statements provided to each employee.</p>
FRA Procedure 4.5.1 – Uniform Rank Structure
<p>Defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County through Res. 13-73 dated October 16, 2013 with an implementation date of January 1, 2015. The FRA has granted an extension to incumbent members through June 30, 2017, via Res. 14-61 dated November 19, 2014. As of our testing we noted that 5 incumbent active members out of 20 active members sampled were missing one (1) or more minimum training requirements as per the Uniform Rank Structure.</p> <p>4.6.1. Incumbent Extension – Operational Members who are in their position on December 31, 2014, and do not meet the requirements of this policy shall be granted a two and one half calendar year extension ending June 30, 2017, to satisfy the requirements of this policy before being placed into a lower position to which the member qualifies under this policy.</p> <p>4.6.2. Operational Members Joining or Advancing in Rank on or after January 1, 2015 – The incumbent extension shall not apply to any person who becomes an Operational Member or advances in rank on or after January 1, 2015.</p>
FRA Procedure 4.8.3 – Medical Evaluation Program
<p>1.1 The purpose of this procedure is to outline parameters of a medical evaluation program for active fire and rescue providers within Prince William County.</p> <p>4.2.1.1 Annual OSHA Medical Evaluation Questionnaire for members shall be completed in conjunction with the Annual Medical Evaluation during each Fiscal Year not to exceed the end of the Fiscal Year.</p> <p>4.2.3.1 Any member not receiving an annual OSHA Medical Evaluation Questionnaire, shall be deemed non-operational and shall not participate in emergency response and/or training activities.</p> <p>4.4.2 A medical evaluation of a candidate shall be conducted prior to the candidate’s being placed in training programs or fire department operational activities.</p> <p>4.4.3.2 Each member shall have an annual medical evaluation every 12 months (plus or minus 3 months), not to exceed the end of the Fiscal Year.</p> <p>4.4.3.2.1 Any member not receiving an annual medical evaluation, shall be deemed non-operational and shall not participate in emergency response and/or training activities.</p>
FRA Procedure 9.1.2 – Respiratory Protection Program
<p>1.1 The purpose of this procedure is to outline parameters of respiratory protection for the fire and rescue services within Prince William County.</p> <p>4.2.1 All new members shall pass a face piece fit test during initial training and annually thereafter, in accordance with the QNFT or QLFT fit test protocol contained in OSHA 29 CFR 1910.134.</p> <p>4.2.1.4 Annual Fit Testing for members shall be completed during each Fiscal Year not to exceed the end of the Fiscal Year.</p> <p>4.2.1.5 Any member not receiving an annual Fit Test shall be deemed non-operational and shall not participate in emergency response and/or training activities.</p>

Background - continued

Governance – continued

Virginia Emergency Medical Services (EMS) Regulations
12VAC5-31-540 – Personnel records
A. An EMS agency shall have a current personnel record for each individual affiliated with the EMS agency. Each file shall contain documentation of certification, training and qualifications for the positions held.
B. An EMS agency shall have a record for each individual affiliated with the EMS agency documenting the results of a criminal history background check conducted through the Central Criminal Records Exchange and the National Crime Information Center via the Virginia State Police, a driving record transcript from the individual's state Department of Motor Vehicles office, and any documents required by the Code of Virginia, no more than 60 days prior to the individual's affiliation with the EMS agency.
12VAC5-31-1230 - Ground ambulance staffing requirements
A ground ambulance transport requires a minimum of two persons:
1. An operator shall at a minimum possess a valid motor vehicle operator's permit issued by Virginia or another state and have successfully completed an approved Emergency Vehicle Operator's Course (EVOC) training course or an equivalent.
2. An attendant-in-charge who must meet the requirements listed for the type of transport to be performed.

Background - continued

Governance – continued

The following listing represents various benefits available to volunteer firefighters in the State of Virginia:

Virginia Code § 27-41 Relief provided for
Financial relief shall be extended by the counties, cities and towns of Virginia to volunteer fire fighters who are killed or injured while engaged in fighting fire or while responding to an alarm or returning from the scene of a fire, such relief to be paid in amounts and manner as hereinafter set forth.
Virginia Code § 27-43 Payment on death
Should any volunteer fire fighter be killed while actually engaged in fighting fire, or while going to a fire in answer to an alarm or returning there from, the governing body of the county, city or town in which his company is located shall pay to his personal representative, for the benefit of his estate, the sum of \$1,000.
Virginia Code § 27-44 Payments for total and permanent disability
Should any volunteer fire fighter be injured under circumstances set forth in § 27-43, so as to be totally and permanently disabled from making a livelihood, he shall be paid in like manner the sum of twenty-five dollars per week for forty weeks.
Virginia Code § 27-45 Payments for partial disability
Should a volunteer fire fighter be injured under circumstances set forth in § 27-43, so as to be prevented from attending to his usual occupation for a period greater than two weeks, but not permanently and totally disabled, he shall be paid in like manner the sum of twenty-five dollars per week until able to return to his usual occupation, provided, that the payments shall not continue in any event for a period greater than ten weeks.
Virginia Code § 27-46 Payment for hospital and medical services
In addition to the relief set forth in §§ 27-43 through 27-45, all necessary hospital charges and all necessary and proper medical, surgical, laboratory and operating room charges for any volunteer fire fighter arising out of any injury set forth in such sections shall be paid by such county, city or town.
Virginia Code § 58.1-3506 Other classifications of tangible personal property for taxation;
A. The items of property set forth below are each declared to be a separate class of property and shall constitute a classification for local taxation separate from other classifications of tangible personal property provided in this chapter: 15. Motor vehicles (i) owned by members of a volunteer rescue squad or volunteer fire department or (ii) leased by members of a volunteer rescue squad or volunteer fire department if the member is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle. One motor vehicle that is owned by each volunteer rescue squad member or volunteer fire department member, or leased by each volunteer rescue squad member or volunteer fire department member if the member is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle, may be specially classified under this section, provided the volunteer rescue squad member or volunteer fire department member regularly responds to emergency calls. 16. Motor vehicles (i) owned by auxiliary members of a volunteer rescue squad or volunteer fire department or (ii) leased by auxiliary members of a volunteer rescue squad or volunteer fire department if the member is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle.
Prince William County Board of County Supervisors Resolution 97-569
BOCS endorsed the volunteer fire and rescue Length of Service Award Program (LOSAP) program that provides benefit payments upon retirement of a volunteer firefighter at age 60. Benefits provided are \$10 each month for each year of service, subject to vesting provisions. Death and disability benefits are also provided, and survivors of the volunteers are also entitled to benefits.

Objectives and Approach

Objectives and Approach

Objectives and Scope

The objective of our internal audit focused on reviewing the control environment of certain financial and operational processes of four (4) selected Volunteer Fire & Rescue Companies. This internal audit covered the following areas:

- Board Governance, including meeting minutes
- Financial Operations (fire levy and non fire levy)
 - Cash Receipts and Disbursements
 - Revenues
 - Expenditures
 - Liabilities
 - Property Plant and Equipment
- Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policies and Procedures and Virginia Emergency Medical Services Regulations
 - Incident Response and Reporting
 - Member Staffing
 - Member Screening
 - Member Training and Certification

Approach

Our audit approach consisted of three phases:

Understanding and Documentation of the Process

During this phase, we conducted interviews with the County's DFR Chief/Chair of FRA, DFR Senior Administrative Manager, various DFR Battalion Chiefs and representatives. We discussed the scope and objectives of the audit work, obtained preliminary data, and established working arrangements. Preliminarily, we obtained copies of PWC Code Chapter 9.1, related policies and procedures, and other documents deemed necessary. We reviewed the applicable Virginia Code and County policies and procedures related to this internal audit.

Detailed Testing

The purpose of this phase was to test compliance and internal controls, based on our understanding of the applicable Virginia and County code, policies and procedures. Our fieldwork testing was conducted utilizing sampling and other auditing techniques to meet our audit objectives outlined above. Specific procedures performed included:

- Assessing oversight authority and objectives of the selected Company's governing Board and administrative and operational management.
- Reviewing board meeting minutes, board attendance and send each Board member a confirmation regarding protocol, financial monitoring, related party transactions, and the like.
- Reviewing that the governing board is performing the administrative and operational oversight functions as intended by County Code and Company By-Laws.
- Reviewing the selected Company's overall participation in FRA meetings and committees.
- Obtaining and reviewing most recent annual audited financial statements, where available.
- Obtaining and reviewing most recent unaudited financial statements.
- Performing analysis of fire levy taxpayer funding usage.
- Discussing the current accounting practices and methods used with management.
- Performing cash receipt and cash disbursement testing to assess whether proper internal controls are in place.
- Reviewing a sample of expenditures to assess whether they are in accordance with the County's expenditure code manual and fire levy funding rules and regulations.
- Reviewing a sample of expenditures to Company employees for compliance with *Fire and Rescue Association Procedure 3.3.3 Use of Fire Levy for Volunteer Company Employees*.

Objectives and Approach - continued

Detailed Testing - continued

- Reviewing cash reconciliations for unreconciled items and testing to ensure that the reconciliations are accurate and prepared timely.
- Reviewing bank signature cards and assess for proper segregation of duties.
- Other financial matters such as safeguarding of assets and payroll.
- Determining number of active volunteer members.
- Determining number of career firefighters placed by the County at the station.
- Determining that baseline medical examinations and subsequent annual medical examinations have been performed in accordance with *Sec. 9.1-16. - Physical examinations, criminal background checks, and department of motor vehicle checks.*
- Determining that criminal background check and a department of motor vehicle check has been performed on the volunteer member and results have been reported to the FRA in accordance with *Sec. 9.1-16. - Physical examinations, criminal background checks, and department of motor vehicle checks. (d) and Virginia Emergency Medical Services (EMS) Regulations.*
- Determining that members have obtained required training and that the member training and/or certification supporting documentation exists and are in accordance with *Fire and Rescue Association Procedure 4.5.9 Training Records and Internship Packets and 5.4.3 Acceptance of EMS Providers and Virginia EMS Regulations.*
- Reviewing that Fire and Emergency Medical Service incidents are reported in accordance with *Fire and Rescue Association Procedure 1.4.1 Fire and EMS Reporting Requirements and Virginia EMS Regulations.*

Reporting

At the conclusion of our audit, we summarized our observations related to the selected Volunteer Fire & Rescue Companies and conducted separate exit conferences with management from the selected Volunteer Fire & Rescue Companies and the DFR Chief/Chairman of the FRA. Issues, recommendations and management responses are included in the issue section of this report.

**Volunteer Fire & Rescue Company
Overview and Issues Matrix**

Lake Jackson Volunteer Fire Department – Station 7

Lake Jackson Volunteer Fire Department

Chief:

Walter Davis (since 2007)

Station Address and Year Opened:

Station 7 – 1951
11310 Coles Drive, Manassas, VA 20112

* Staffed by Volunteers from 6:00 PM to 6:00 AM Monday through Friday and weekends and holidays. Staffed by DFR career firefighters 6:00 AM to 6:00 PM.

Membership:

Active Operational Volunteer Members	68
Total Volunteer Members	99
DFR Approved Career Positions:	17

Financial Data (per the FY 2016 Budget document posted on the County's website):

	Actual FY 2013	Actual FY 2014	Adopted FY 2015	Adopted FY 2016
Fire Levy Expenditure Budget	\$892,097	\$808,573	\$763,675	\$765,124

Fire Emergency and EMS Response (per the FY 2016 Budget document posted on the County's website):

	Actual FY 2013	Actual FY 2014	Adopted FY 2015	Adopted FY 2016
Fire incidents responded to by department	180	226	240	210
Fire incidents within first due area	82	72	80	76
EMS incidents responded to by department	804	699	900	782
EMS incidents responded to within first due area	277	275	310	284

Governing Board:

President:	Missy Tate
Secretary:	Kevin Wilson
Treasurer:	Jeff Harding
Board Members:	Linda Button, VP
	Gian Carlo Bulfon
	Jim Gallant
	Steve King

Lake Jackson Volunteer Fire Department - continued

Apparatus:

	Station 7
Pumpers	3
Ambulances/ Medical Unit	3
Boats	2
Brush Truck	1

Comments:

Bank Accounts:

Account Name	Account Description
General Account	This checking account was created with the intention to separately account for all of the levy fund purchases and reimbursements. Purchases that qualify for reimbursement by County levy funds are made using the account's debit card or are made by physical check. LJVFD then submits qualified purchases to the County for processing, and the reimbursement is made by direct deposit from the County's levy funds to the account.
Other Accounts	LJVFD also has a Bingo account, a Duty Crew account and a Payroll account. There is moderate level of activity in the Bingo account and Duty Crew account. The Payroll account is used exclusively to deposit amount received from levy fund to pay a full time employee.

Debt: N/A

Leases: N/A

Subleases: N/A

Related Parties: N/A

Other: 1 paid employee: Bookkeeper

Rating	Issues	Recommendation	Management Response
Board Governance			
High	1. Board Governance		
	<p>The most recent external audit of the financial statements for this volunteer company was for fiscal year 2008. We are unaware if an external audit is currently in progress for FY 2015. Per FRA Procedure 3.1.1 "FRA member volunteer companies shall obtain and submit to the FRA Budget Task Force, on a tri-annual basis, any audit financial statements and management letters issued by the auditor."</p> <p>Audited financial statements are intended to provide reasonable assurance, but not absolute assurance, that the financial statements are presented fairly, in all material respects, and/or give a true and fair view in accordance with the financial reporting framework.</p>	<p>We recommend that the Company follow FRA Procedure 3.1.1 regarding audited financial statements without exception.</p>	<p>Response: We are following the 3.1.1</p> <p>Estimated Completion Date: As of September 1, 2015</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
High	2. Bank Reconciliations		
	<p>During our review of procedures related to bank reconciliations we were unable to validate that the bank reconciliations are reviewed by the Treasurer on a monthly basis. We also noted the Bookkeeper or Treasurer receives the monthly bank statements opens and reviews the statement.</p> <p>Bank reconciliation offers checks and balances for the Company's accounting and the bank's accounting. Bank reconciliations are a means to detect errors and misappropriation of funds. Nonperformance of a review of bank reconciliations to supporting documentation may cause delays in the identification of potential cash issues and / or irregularities.</p> <p>Without proper segregation of duties and controls surrounding cash, there is an increased likelihood of errors, misappropriation of funds or other types of irregularities to occur without being detected in a timely manner.</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> • Bank statements be submitted to either the Treasurer or the President for review prior to being provided to the Bookkeeper for use in reconciling the accounts. • The Treasurer document review of bank reconciliation prepared by the Bookkeeper, within 45 days of month end. • The Board receive and review the monthly bank reconciliations and compare them to the monthly reports, bank statements and canceled checks, within 45 days of month end. <p>The above will assist in minimizing possible errors in records, misappropriation of funds or other types of irregularities.</p>	<p>Response: We will follow the recommendations provided to our company</p> <p>Estimated Completion Date: Will be complaint October 1, 2015</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
High	3. County Purchasing Regulations, including Conflicts of Interest		
	<p>During our testing of cash disbursements we noted the following:</p> <ul style="list-style-type: none"> • Payments exceeding \$7,500 for 3 vendors, without evidence of adhering to County regulations requiring 3 written quotes. The following is the list of vendors and the payments to them from 7/1/2014 to 2/28/2015: <ul style="list-style-type: none"> ○ New Baltimore Garage - \$8,022.41 ○ East to West - \$10,380.63 ○ Finlay Fire - \$11,892.21 • In addition there were 11 vendors who were paid between \$1,000 and \$7,500 year to date at the time of testing, but no evidence was available that 3 verbal quotes had been solicited. <p>Section 15 of Chapter 9.1 provided below requires that all members of the FRA comply with the provisions of County Purchasing Regulations.</p> <p>Excerpts from the County's purchasing regulations are as follows:</p> <p><u>§300.04 Procurements of \$1,000 or More and Less Than \$15,000:</u> Procurements of supplies or services estimated to cost \$1,000 or more, but less than \$15,000 shall be made in the open market, without sealed bids.</p> <p>No fewer than three (3) quotes shall be solicited for such supplies or services by mail, by telephone, electronically or by other public notice.</p> <p>A public record shall be maintained of all bids solicited and all quotes received. The record shall indicate which quote was accepted.</p> <p>Any bid in excess of \$7,500 quoted verbally, shall be confirmed in writing by the Bidder as soon as possible, but in any event before a contract is awarded.</p>	<p>We recommend that the Company follow the County's purchasing regulations without exception.</p>	<p>Response: 100% compliant</p> <p>Estimated Completion Date: As of September 1, 2015</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
Moderate	4. Employment Contract		
	<p>The Company has 1 non-volunteer paid employee. The company does not have a signed employment contract on file. We were unable to validate accuracy of the employee's pay. We were unable to validate accuracy of the employee's pay.</p> <p>Lack of formal employment contracts can result in errors in payroll disbursements and also deprives the parties of a legal foundation upon which to base the employment.</p>	<p>We recommend that employment contracts/agreements, between the Company and any paid employee, be developed and maintained for all paid employees at the Company, which includes salary/pay rate and job responsibilities.</p>	<p>Response: Working on an employee contract/ agreement</p> <p>Estimated Completion Date: will be completed by November 1, 2015</p>
Low	5. Sales Tax		
	<p>During the course of our procedures related to expenditures it was noted the Company incurred sales tax totaling \$119.79 in 2 of 25 disbursements sampled.</p> <p>The Company is a structured not-for-profit entity and should not be paying sales tax on purchases. Payment of sales tax results in overspending of funds.</p>	<p>We recommend the Company review all expenses incurred to ensure sales tax is no longer paid on purchases made for the benefit of the Company. The Company should register with or inform all vendors it frequently does business with to ensure all vendors are aware of its exempt status.</p> <p>By doing the above it will ensure the Company does not incur any sales tax on purchases for goods or services.</p>	<p>Response: 100% compliant</p> <p>Estimated Completion Date: As of September 1, 2015</p>

Rating	Issues	Recommendation	Management Response
Operational - Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations			
High	6. Background Screenings		
	<p>During our testing of background screenings for a sample of 20 active volunteer members, we noted the following:</p> <ul style="list-style-type: none"> • A DMV check and review was performed five (5) years after the member's date of service for one (1) active volunteer member. • There was no evidence of performance of a criminal check and review for four (4) active volunteer members. <p>Evidence of performance of background checks are required by the PWC Code Chapter 9.1, the Virginia EMS Regulations and FRA Policy.</p> <p>PWC Code Chapter 9.1-16 (d) states "All career and volunteer personnel in or entering fire and rescue services, or the service of a political subdivision with which it has contracted for fire protection, shall agree to consent to undergo a criminal background check and a department of motor vehicle check. The results thereof shall be submitted to the county or the member company for consideration upon application, or as soon as practicable upon request for current and active members."</p> <p>Virginia EMS Regulations 12VAC5-31-540 <i>Personnel records</i> state "An EMS agency shall have a record for each individual affiliated with the EMS agency documenting the results of a criminal history background check conducted through the Central Criminal Records Exchange and the National Crime Information Center via the Virginia State Police, a driving record transcript from the individual's state Department of Motor Vehicles office, and any documents required by the Code of Virginia, no more than 60 days prior to the individual's affiliation with the EMS agency."</p> <p>FRA Policy 1.1.5 Section 4.4 states "Operational Member Requirement – Each FRA member department shall maintain a minimum of 20 operational members. Operational members will remain at all time a member in good standing of the FRA member department, and comply with all Chapter 9.1, FRA Policies and Procedures, and other applicable County, State and Federal regulations."</p>	<p>To comply with the Company's contract with the County, Virginia EMS Regulations and the PWC Code Chapter 9.1, we recommend the Company obtain and maintain all documented evidence of both the department of motor vehicle and criminal history background checks for each one of its volunteer members to ensure that all required screening has occurred. This documentation should be maintained in the respective volunteer member personnel files.</p> <p>We also recommend the Company document action taken or not taken upon evaluation of background screenings with prior/current violations. This documentation should be maintained in the member's personnel file.</p>	<p>Response: The one member who did not have a driving record was not old enough to drive any of our units at the time of hire; once he reached the age to drive in our department a driving record was pulled. The 4 members who transferred to our department from Coles District VFD already had their background checks done at Coles and the county has a copy, we were not able to obtain a hard copy from Coles District VFD.</p> <p>Estimated Completion Date: Complete</p>

Rating	Issues	Recommendation	Management Response
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations			
Moderate	7. Medical Clearances		
	<p>During our testing of medical clearances for a sample of 20 active volunteer members, we noted that three (3) active volunteer members sampled did not have any record of a baseline medical evaluation on file.</p> <p>Failure to have up to date medical clearances is a violation of PWC Code 9.1 and FRA policy.</p> <p>PWC Code Chapter 9.1-16 (b) states “every person providing fire and/or rescue response, whether paid or volunteer, who is in the service or entering the service of the county, or the service of a political subdivision or volunteer fire and/or rescue company with which the county has contracted for fire and/or rescue service shall receive a baseline medical examination in accordance with NFPA 1582, and, thereafter, an annual medical examination in accordance with NFPA 1582.”</p> <p>FRA Policy 4.8.3 Medical Evaluation Program requires annual medical evaluations to be conducted every 12 months (plus or minus 3 months) in conjunction with the Annual OSHA Medical Evaluation Questionnaire. Any member not receiving an annual medical evaluation shall be deemed non-operational and shall not participate in emergency response and/or training activities.</p> <p>FRA Policy 9.1.2 Respiratory Protection Program requires annual fit tests. Any member not receiving an annual fit test shall be deemed non-operational and shall not participate in emergency response and/or training activities.</p> <p>FRA Policy 1.1.5 Section 4.4 states “Operational Member Requirement – Each FRA member department shall maintain a minimum of 20 operational members. Operational members will remain at all time a member in good standing of the FRA member department, and comply with all Chapter 9.1, FRA Policies and Procedures, and other applicable County, State and Federal regulations.”</p>	<p>To comply with the Company’s contract with the County, FRA Policy and the PWC Code Chapter 9.1, we that the Company implement a process to monitor all volunteer members have a baseline medical evaluation.</p> <p>Implementing the above procedure listed will assist and help assure the LJVFD is in compliance with the Prince William County Code Section 9.1 – 16.</p>	<p>Response: The three members, who did not have a baseline medical evaluation, do in fact have one. These members came to us from other county firehouses and their physicals are on file with the county and their prior stations.</p> <p>Estimated Completion Date: Complete</p>

Rating	Issues	Recommendation	Management Response
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations			
Certifications - - Not a risk rated issue as it is not in effect until June 30, 2017 for incumbent members.			
	<p>The FRA had adopted Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County through Res. 13-73 dated October 16, 2013 with an implementation date of January 1, 2015. The FRA has granted an extension to incumbent members through June 30, 2017, via Res. 14-61 dated November 19, 2014. As of our testing we noted that 7 incumbent active volunteer members out of 20 sampled were missing one (1) or more minimum training requirements as per the Uniform Rank Structure.</p> <p>4.6.1. Incumbent Extension – Operational Members who are in their position on December 31, 2014, and do not meet the requirements of this policy shall be granted a two and one half calendar year extension ending June 30, 2017, to satisfy the requirements of this policy before being placed into a lower position to which the member qualifies under this policy.</p> <p>4.6.2. Operational Members Joining or Advancing in Rank on or after January 1, 2015 – The incumbent extension shall not apply to any person who becomes an Operational Member or advances in rank on or after January 1, 2015.</p>	<p>We recommend that the Company continue to monitor and implement Policy 4.5.1 Uniform Rank Structure. All certifications are required to be maintained by the Company’s Training Officer in accordance with FRA Policy 4.5.9 <i>Training Records and Internship Packets</i>. The FRA has issued Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County.</p>	<p>N/A</p>

Board Member Survey Questions and Responses

Questions	1	2	3	4	5	6	7	8
1. How long have you been on the Board?	NR	6> months	NR	NR	5 years	NR	NR	8 years
2. Are you a voting or non-voting member of the Board?	NR	Voting	NR	NR	Voting	NR	NR	Voting
3. Do you regularly attend the Board meetings?	NR	Yes	NR	NR	Yes	NR	NR	Yes
4. If so, how often are Board meetings held?	NR	Monthly	NR	NR	Monthly	NR	NR	Monthly
5. Do you have assigned duties/oversight as a Board member?	NR	No	NR	NR	Yes	NR	NR	Yes
6. Were you elected in a public meeting?	NR	Yes	NR	NR	Yes	NR	NR	Yes
7. Have you received a copy of the By-Laws of the Lake Jackson Volunteer Fire Department?	NR	Yes	NR	NR	Yes	NR	NR	Yes
8. Who holds oversight/authority over the operational function of the volunteer fire department?	NR	Chief Waters	NR	NR	President	NR	NR	Chief and BOD
9. Who holds oversight/authority over the administrative function of the volunteer fire department?	NR	President Missy Tate	NR	NR	President	NR	NR	BOD
10. At the Board meetings do you regularly receive financial reports?	NR	Yes	NR	NR	Yes	NR	NR	Yes
11. Do these financial reports include the Non-Levy financial transactions/reports?	NR	Yes	NR	NR	Yes	NR	NR	No
12. If so, does the Board discuss these financial reports?	NR	Yes	NR	NR	Yes	NR	NR	Yes
13. Does the Board approve individual purchase transactions made from the Levy account above certain dollar thresholds made by the Lake Jackson Volunteer Fire Department?	NR	Yes	NR	NR	Yes	NR	NR	Yes
14. Does the Board approve individual purchase transactions made from the Non-Levy accounts above certain dollar thresholds made by the Lake Jackson Volunteer Fire Department?	NR	Yes	NR	NR	Yes	NR	NR	Yes
15. If so, provide examples of types of purchase transactions the Board approves.	NR	(1)	NR	NR	(2)	NR	NR	NR
16. Does the Board approve the Levy account annual budget?	NR	Yes	NR	NR	Yes	NR	NR	Yes
17. Does the Board approve amendments to the Levy account budget?	NR	Yes	NR	NR	Yes	NR	NR	Yes
18. Does the Board approve the Non-Levy account annual budget?	NR	Yes	NR	NR	Yes	NR	NR	Yes
19. Does the Board approve amendments to the Non-Levy account budget?	NR	Yes	NR	NR	Yes	NR	NR	Yes
20. As a Board member, do you have any related party transactions with the Lake Jackson Volunteer Fire Department?	NR	No	NR	NR	No	NR	NR	No
21. Please briefly describe any related party transactions you may have with Lake Jackson Volunteer Fire Department, if any.	NR	NR	NR	NR	NR	NR	NR	NR
22. Please briefly describe any conflicts of interest you are aware of, if any.	NR	NR	NR	NR	NR	NR	NR	NR

Board Member Survey Questions and Responses - continued

23. Please describe any areas for improvements to internal controls, if any?

Board Member	Response
1	NR
2	there is always need for improvement, I believe we have had good control at the station
3	NR
4	NR
5	NR
6	NR
7	NR
8	NR

24. Please provide a description of your background as it relates to your fire and rescue experience.

Board Member	Response
1	NR
2	I have been a vol. firefighter for 26 years. I have been at two other depts. One for about 4 years the other for about 20 years. I have been at ljevfd for about 3 years. I have been a fire officer for 20 years and have been on the board of directors in the other depts. also. I am a firefighter for life.
3	NR
4	NR
5	I work in a doctor's office and help with ordering
6	NR
7	NR
8	In 1996 joined Lake Jackson VFD as a fire fighter. Putting in numerous hours. Work my way up thru the ranks and 9 years ago was elected Chief

25. If you have any other comments you would like to provide, please feel free to do so.

Board Member	Response
1	NR
2	I believe that ljevfd is a good running station with a good environment to work in. We get along with most of the paid staff and other vol. members in other stations. The operation Chiefs in this station do a great job. I have seen other departments that have a not so good Chief staff. I think that ljevfd is a great place to be a volunteer at and that we work hard to keep up with the changes made in the service.
3	NR
4	NR
5	NR
6	NR
7	NR
8	NR

Board Member Survey Questions and Responses - continued

Additional Explanations Submitted in Survey

Board Member	Response
1	
2	(1) work out equipment for the work rooms at ljvfd
3	
4	
5	(2) The purchase of large items
6	
7	
8	

Legend:

NR	No Response
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Nokesville Volunteer Fire Department – Station 5 & 25

Nokesville Volunteer Fire Department

Chief:

Brian Hickerson (1984 – August 31, 2015)
 Andrew Frizzle – Acting Chief (September 1, 2015 – October 6, 2015)
 Mike Silva – October 6, 2015

Station Address and Year Opened:

Station 5* – 1946	Station 25* – 2005
12826 Marsteller Drive, Nokesville, VA 20181	9405 Devlins Grove Pl, Bristow, VA 20136

* Staffed by Volunteers from 6:00 PM to 6:00 AM Monday through Friday and weekends and holidays. Staffed by DFR career firefighters 6:00 AM to 6:00 PM, with the exception of Station 25 where Medic Unit and Fire Suppression Unit are staffed by career 24/7.

Membership:

Active Operational Volunteer Members	142
Total Volunteer Members	166
DFR Approved Career Positions:	32

Financial Data (per the FY 2016 Budget document posted on the County's website):

	Actual FY 2013	Actual FY 2014	Adopted FY 2015	Adopted FY 2016
Fire Levy Expenditure Budget	\$1,345,839	\$1,444,184	\$1,621,057	\$1,671,057

Fire Emergency and EMS Response (per the FY 2016 Budget document posted on the County's website):

	Actual FY 2013	Actual FY 2014	Adopted FY 2015	Adopted FY 2016
Fire incidents responded to by department	504	596	700	607
Fire incidents within first due area	248	264	265	265
EMS incidents responded to by department	1,567	1,430	1,650	1,564
EMS incidents responded to within first due area	826	781	900	841

Governing Board:

President:	Mark Engman
Vice President	Chris Polk
Secretary:	Nicole Sweder
Treasurer:	Wilbur Rollins
Board Members:	Yvonne Gough
	John Stelmack
	Rob Clark
	Robert Rodriguez
	Karl Bayrer
	John Beatty

Nokesville Volunteer Fire Department - continued

Apparatus:

	Station 5 & 25
Pumpers	5
Ambulances/ Medical Unit	4
Tower Truck	1
Canteen/Rehab	1
Tanker Truck	1
Brush Truck	2

Comments:

Bank Accounts:

Account Name	Account Description
County Funds	This checking account was established with the intention to separately account for all of Nokesville levy fund purchases and reimbursements. Purchases qualifying for reimbursement from the County levy funds are made using the account's debit card or by physical check. NVFD then submits qualified purchases to the County for processing, and the reimbursement is made by direct deposit from the County's levy funds to the account.
Other Accounts	Nokesville VFD also maintains a General Fund account, a Golf account, a Grant Fund account, a Duty Crew account and a Payroll account. There was moderate activity in the General Fund and Duty Crew account and no activity in Grant Fund account for the period. The Payroll account is used exclusively to deposit amounts received from the County levy fund to cover payroll expenses for the NVFD.

Debt: N/A

Leases: Nokesville VFD has an equipment lease that has a yearly payment of \$71,095.66 and ends 9/1/2018.

Subleases: N/A

Related Parties: 1 full-time Business Manager (related party to the Chief in place at the time of the internal audit)

Other: 2 paid employees: 1 full-time Business Manager (related party to the Chief at the time of the internal audit) and 1 part-time Administrative Assistant

Rating	Issues	Recommendation	Management Response
Board Governance			
High	1. Board Governance		
	<p><u>Audited Financial Statements</u> The most recent external audit of the financial statements for this volunteer company was for fiscal year 2008. We are unaware if an external audit is currently in progress for FY 2015. Per FRA Procedure 3.1.1 "FRA member volunteer companies shall obtain and submit to the FRA Budget Task Force, on a tri-annual basis, any audit financial statements and management letters issued by the auditor."</p> <p>Audited financial statements are intended to provide reasonable assurance, but not absolute assurance, that the financial statements are presented fairly, in all material respects, and/or give a true and fair view in accordance with the financial reporting framework.</p> <p><u>Financial Reports</u> Article 7, Section 4(3) of NVFD's Constitution states that the "the Treasurer shall file a monthly and audited annual report of the financial status of the company." We noted no evidence of financial information being presented to the Board at the October 2014 Board meeting per review of the meeting minutes.</p>	<p>We recommend that the Company perform the following:</p> <ul style="list-style-type: none"> Follow FRA Procedure 3.1.1 regarding audited financial statements without exception. Receive and review complete and accurate budget to actual financial results on a monthly basis for effective and proper monitoring for both levy and non levy funds. Review of non levy funds financial records could be a review of monthly revenue and expenditures, if any Limit administrative authorization to the President and the Board. <p>The above practice is necessary in order for the Board to effectively protect and monitor the Company's sustainability and provide proper financial oversight. Also, by obtaining an external audit it will also provide the Board with assurance the financial reporting of NVFD is complete and accurate.</p>	<p>Response:</p> <ol style="list-style-type: none"> External audit of financial statements last perform in 2008: <ol style="list-style-type: none"> We have budgeted funds for the current FY (FY16) to cover the cost of an external audit. The department will enter in to an agreement before the end of the current FY with an external auditing/financial firm to perform an audit of FY16 monies <p>Estimated Completion Date: Expected completion is to have a contract in place with an external auditing firm in the spring of 2016 and have the audit begin in July 2016 once the books are closed on the FY16 monies.</p> <p>Response:</p> <ol style="list-style-type: none"> Receive and review complete and accurate financial information: <ol style="list-style-type: none"> Monthly reports that cover all financial records are presented at the monthly meeting of the membership. The financials are made available at the meeting for review by any member. Also, note that any member may ask for a copy of the provided financials for review at a time suitable to them. <p>Estimated Completion Date: A gap was discovered that our monthly financials were presented to the membership but the membership was not asked to vote on accepting the financials. Begin October 1 2015 financials presented by the Treasure will be voted on at the monthly Board of Directors meeting.</p>

Rating	Issues	Recommendation	Management Response
Board Governance			
High	1. Board Governance - continued		
	<p><u>Administrative and Operational Authority</u> The NVFD constitution gives administrative authority to the President and operational authority to the Chief. The constitution states that the President “shall be the Executive Officer of the Company, as such, he shall officially represent the company on administrative business and is authorized to sign official documents on behalf of the company.” The NVFD states the duties of the Chief are; “The Chief is empowered to be the commanding line (chief operating) officer with respect to fire and rescue. It shall be the chief’s duty to establish the running rules, operating policies relating to apparatus and equipment, and enforce the same. Such running rules and operating policies shall be subject to approval by majority vote of the membership.”</p> <p>We noted the following exceptions as they relate to the administrative control:</p> <ul style="list-style-type: none"> • A pay increase was given to two (2) employees of NVFD in January 2015. The pay increases were to full-time Business Manager, a related party to the Chief in place at the time of the internal audit, and to the part-time Administrative Assistant. The base pay of the Business Manager was increased from \$60,320 to \$67,650, an increase of 12%. The rate of pay for part-time Administrative Assistant was increased from \$17.50 an hour to \$18.00 an hour, an increase of 2.9%. • On 1/23/2015, a retro pay of \$5,250 was given to the Business Manager for a retro adjustment of pay from 7/1/2014 to 1/23/2015. <p>The pay increases and retro pay were approved by the Chief who does not have administrative authority per NVFD’s constitution.</p> <p>Effective and proper board governance and adhering to board policies is a best practice to assist any entity with sustainability and in meeting its purpose and objectives.</p>		<p>Response - continued:</p> <p>3. Receive and review the monthly bank reconciliation and compare them to the monthly reports:</p> <p>a. During the review of the audit findings a gap was identified and a process was put in place. Currently the reconciliation is performed by the part-time accountant, this information is reviewed by the Treasure. The gap that was noted is that the Treasure did not notate that the review was completed and if any questionable transactions were discovered.</p> <p>Estimated Completion Date: Effective Oct 1 2015, the reconciliation report is stamped and is signed, and dated by the person performing the review of the reconciled accounts. This information is then provide to a member of the Board of Directors for an additional review. (Note: the Treasure is not a member of the Board of Directors)</p>

Rating	Issues	Recommendation	Management Response
Board Governance			
High	1. Board Governance - continued		
			<p>Response - continued:</p> <p>4. Limit administration authorization to the President and the Board of Directors:</p> <ul style="list-style-type: none"> a. Newly drafted By-Laws are being worked on to address any gaps and to clearly state the duties of the Board of Directors, Chief and President. <p>Estimated Completion Date: The By-Law tasks force was form on Oct 6 2015 and plan to introduce By-Laws to the Board of Directors for review and approval. This will be an ongoing effort that will take place over the next 3 – 6 months.</p> <p>5. A pay increase was given to 2 employees on NVFD in January 2015:</p> <ul style="list-style-type: none"> a. Upon the adoption of the FY15 budget the salaries of the one full-time employee and the one part-time employee were to be adjusted to bring them in line to the current pay scale set for these 2 position based upon the Prince William County pay scale. The President at this time resigned from the position of President and the approval process to increase the salaries did not take place. This was discovered and upon direction of the Chief the 2 mentioned employees received their pay adjustment retroactivity to July 1 2014. The pay increase did follow standard process and since the Chief had the authority to approve these types of funds transfers with the fire levy monies. The county accepted the request and made the adjustment. <p>Estimated Completion Date: As of Sept 2015 the President now has the authority to request and approve these fund transfers. The By-Law task force will be addressing this in a new By-Law that will provide guidance on our paid employees.</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
High	2. Bank Reconciliations		
	<p>During our review of procedures related to bank reconciliations we were unable to validate the bank reconciliations are reviewed by the Treasurer on a monthly basis. We also noted the Business Manager (who also performs the bank reconciliation) or Treasurer receives the monthly bank statements opens and reviews the statement.</p> <p>Bank reconciliations are a means to detect errors and misappropriation of funds. Nonperformance of a review of bank reconciliations to supporting documentation may cause delays in the identification of potential cash issues and / or irregularities.</p> <p>Without proper segregation of duties and controls surrounding cash, there is an increased likelihood of errors, misappropriation of funds or other types of irregularities to occur without being detected in a timely manner.</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> Bank statements are submitted to either the Treasurer or President for review prior to being provided to the Business Manager for use in reconciling the accounts. The Treasurer document review of bank reconciliation prepared by the Business Manager, within 45 days of month end. The Board receive and review the monthly bank reconciliations and compare them to the monthly reports, bank statements and canceled checks, within 45 days of month end. <p>By implementing the above procedures it will assist in minimizing possible errors in records, misappropriation of funds or other types of irregularities. The above procedures will also provide additional transparency with members of the Board and individual performing the reconciliation.</p>	<p>Response:</p> <ol style="list-style-type: none"> During our review of the procedures related to reconciliations we were unable to validate the bank reconciliations are reviewed by the Treasurer: <ol style="list-style-type: none"> The bank statements are reviewed and reconciliation is performed by the part-time accountant. These reports are provided to the Treasure on a monthly basis. After a review of the process it was noted that the Treasure was not signing the reconciliation reports. The review of canceled checks would require us to work with our financial institution since canceled checks are not provided in hard format. <p>Estimated Completion Date:</p> <p>Check signing authority is limited to the President, Vice President, Treasure and 1 Board of Director. Each check requires 2 signatures and the supporting documentation is attached to each check that is signed.</p> <ol style="list-style-type: none"> Effective Oct 1 2015 the reports are stamped to allow for the Treasure to sign and date the review of the reconciliation reports. These reports will be provided to a member of the Board of Directors for review. The By-Law task force is addressing the need for better processes over our financial reporting and will provide guidance that will improve the review process. The By-Law task force will be presenting updated By-Laws to the Board of Directors over the next 3 to 6 months.

Rating	Issues	Recommendation	Management Response
Financial Operations			
High	3. County Purchasing Regulations, including Conflicts of Interest		
	<p>During our testing of cash disbursements we noted the following:</p> <ul style="list-style-type: none"> • Payments exceeding \$50,000 for 1 vendor, without evidence of adhering to County regulations requiring competitive bid or negotiations. Payments to Finlay Fire Apparatus and Equipment Repair, Inc. amounted to \$104,865.69 from 7/1/2014 to 4/21/2015. Finlay Fire Apparatus and Equipment Repair, Inc. is a related party to a NVFD Assistant Chief. • Payments exceeding \$15,000 for 3 vendors, without evidence of adhering to County regulations requiring competitive bid or negotiations. The following is the list of vendors and the payments to them from 7/1/2014 to 4/21/2015: <ul style="list-style-type: none"> ○ Rader Tire - \$23,584.26 ○ Hickerson Brothers - \$22,185, related party to the Chief at the time of the internal audit ○ Blue Pixel Technologies - \$14,865.69 • Payments exceeding \$7,500 for 3 vendors, without evidence of adhering to County regulations requiring 3 written quotes. The following is the list of vendors and the payments to them from 7/1/2014 to 4/21/2015: <ul style="list-style-type: none"> ○ Heavy Fleet - \$11,095.18 ○ Manassas Chevrolet - \$9,214.31 ○ Capital Rentals - \$9,002.70 • In addition there was 1 vendor, Embroider Me who was paid between \$1,000 and \$7,500 year to date at the time of testing, but no evidence was available that 3 verbal quotes had been solicited. <p>Section 15 of Chapter 9.1 provided below requires that all members of the FRA comply with the provisions of County Purchasing Regulations.</p>	<p>We recommend that the Company follow the County's purchasing regulations without exception.</p>	<p>Response:</p> <ol style="list-style-type: none"> 1. Payments exceeding \$50,000 for 1 Vendor: <ol style="list-style-type: none"> a. Finley Fire Apparatus is one of the primary fleet maintenance providers for fire departments throughout Prince William County and neighboring counties. The payments made to Finley Fire occurred over a 1 year period that addressed needed repairs to emergency vehicles owned by Nokesville Vol Fire and Rescue. Nokesville Vol Fire and Rescue owns a large number of emergency vehicle , they are: <ul style="list-style-type: none"> 4 – Fire Engines 4 – Ambulances 2 – Brush Trucks 1 – Tower/Ladder 1 – Tanker 3 – Utility Emergency Veh. 6 – Chief Command Veh. 1 – Canteen and Rehab unit 4 – Support trailers <p>As of date of the audit the Prince William County Fire and Rescue Association had not made progress, over the past 2 years, on having a contract that would insure prompt repairs and meet the specific needs of fleet maintenance on emergency vehicles.</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
High	3. County Purchasing Regulations, including Conflicts of Interest - continued		
	<p>Excerpts from the County's purchasing regulations are as follows:</p> <p><u>§300.02 Procurements of \$50,000 or More:</u> All procurements of supplies and services estimated to be \$50,000 or more, shall be made on the basis of sealed competitive bids or competitive negotiations, except as otherwise provided in these regulations.</p> <p><u>§300.03 Procurements of \$15,000 but less than \$50,000:</u> All procurements of supplies or services estimated to cost \$15,000 or more but less than \$50,000 shall be made by the Purchasing Manager in the open market, by means of a written Request for Quotation (RFQ). No fewer than three (3) quotes shall be solicited for procurements of \$15,000 or more but less than \$30,000. No fewer than four (4) quotes shall be solicited for procurements of \$30,000 or more but less than \$50,000. A public record shall be kept of all bids solicited and all quotes received. The record shall indicate which quote was accepted.</p> <p><u>§300.04 Procurements of \$1,000 or More and Less Than \$15,000:</u> Procurements of supplies or services estimated to cost \$1,000 or more, but less than \$15,000 shall be made in the open market, without sealed bids. No fewer than three (3) quotes shall be solicited for such supplies or services by mail, by telephone, electronically or by other public notice. A public record shall be maintained of all bids solicited and all quotes received. The record shall indicate which quote was accepted. Any bid in excess of \$7,500 quoted verbally, shall be confirmed in writing by the Bidder as soon as possible, but in any event before a contract is awarded.</p>		<p>Response - continued: Prince William County released a Request for Proposal (RFP) for Fleet Maintenance. Finley Fire was awarded a contract with Prince William County for fleet maintenance that will insure that the specific needs of the fire and rescue service within Prince William County are met. The related party of Finley Fire is no longer an active member of Nokesville Vol Fire and Rescue as of Sept 10 2015.</p> <p>Estimated Completion Date: i. Nokesville Vol Fire and Rescue will utilize the newly awarded contract once we are notified by Prince William County Procurement Office that we are able to take advantage of this contract.</p> <p>Response - continued: 2. Payments exceeding \$15,000 for 3 vendors: a. Rader Tire is the only supplier of the specific manufactured tires needed for our fire engines, tower/ladder and tanker.</p> <p>Estimated Completion Date: i. The need to use Radar Tire will not be necessary with the newly awarded fleet maintenance contract.</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
High	3. County Purchasing Regulations, including Conflicts of Interest - continued		
	<p><u>§ 2.2-3109. Prohibited contracts by other officers and employees of local governmental agencies;</u></p> <p>No other officer or employee of any governmental agency of local government shall have a personal interest in a contract with the agency of which he is an officer or employee other than his own contract of employment.</p> <p>No officer or employee of any governmental agency of local government shall have a personal interest in a contract with any other governmental agency that is a component of the government of his county, city or town unless such contract is (i) awarded as a result of competitive sealed bidding or competitive negotiation as set forth in § 2.2-4302.1 or 2.2-4302.2 or is awarded as a result of a procedure embodying competitive principles as authorized by subdivisions A 10 or A 11 of § 2.2-4343 or (ii) is awarded after a finding, in writing, by the administrative head of the governmental agency that competitive bidding or negotiation is contrary to the best interest of the public.</p>		<p>Response - continued:</p> <p>b. Hickerson Brothers was utilized to perform a variety of electrical repairs/upgrades and other miscellaneous repairs to our facilities. The only available contract held by Prince William County for electrical repairs and upgrades could not be used by any other county agency. The amount of work performed over the one year period covered a wide variety of repairs. The payments to this vendor were not for a single request for service.</p> <p>Estimated Completion Date:</p> <p>i. We were made aware of a contract that is available for facility maintenance. We are in the processes of utilizing the Public Works contract by opening a Purchase Order with the contract holder. PO should be in place by Nov 1 2015.</p> <p>Response - continued:</p> <p>c. Blue Pixel Technology provides IT (Information Technology) support that encompasses our department computers, printers, network hardware, wireless hardware, servers, software and user account/support. At the time of the audit there was no contract available to utilize.</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
High	3. County Purchasing Regulations, including Conflicts of Interest - continued		
			<p>Response - continued:</p> <p>c. In Sept 2015 Nokesville Vol Fire and Rescue in conjunction with Stonewall Jackson Vol Fire and Rescue released a Request for Proposal (RFP) for IT Service. This RFP closed on Sept 30 2015 and will be awarded during the month of Oct 2015. Once we are notified that the contract for IT services is available we will utilize the company that was awarded the contract.</p> <p>Estimated Completion Date:</p> <p>i. Discussions with Prince William County Procurement Office has informed us that the contract may be available early 2016.</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
Moderate	4. Employment Contracts		
	<p>The Company has 2 non-volunteer paid employees (1 full-time and 1 part-time). The company does not have signed employment contracts on file. We were unable to verify accuracy of the employees' pay.</p> <p>Lack of formal employment contracts can result in errors in payroll disbursements and also deprives the parties of a legal foundation upon which to base the employment.</p>	<p>We recommend that employment contracts/ agreements, between the Company and any paid employee, be developed and maintained for all paid employees at the Company, which includes salary/pay rate and job responsibilities.</p>	<p>Response:</p> <ol style="list-style-type: none"> 1. The company has 2 non-volunteer paid employees (1 full-time and 1 part-time). The company does not have signed employment contracts on file: <ol style="list-style-type: none"> a. This gap has been discussed with the Board of Directors. The Board will work to provide an employment contract that will outline the duties and responsibility of the 2 positions. <p>Estimated Completion Date:</p> <ol style="list-style-type: none"> i. The Board of Directors will strive to have an agreeable contract and list of responsibilities in place by January 1 2016.
Low	5. Sales Tax		
	<p>During the course of our procedures related to expenditures it was noted the Company incurred sales tax totaling \$125.79 in 2 of 28 disbursements sampled.</p> <p>The Company is a structured not-for-profit entity and should not be paying sales tax on purchases. Payment of sales tax results in overspending of funds.</p>	<p>We recommend the Company review all expenses incurred to ensure sales tax is no longer paid on purchases made for the benefit of the Company. The Company should register with or inform all vendors it frequently does business with to ensure all vendors are aware of its exempt status.</p> <p>By doing the above it will ensure the Company does not incur any sales tax on purchases for goods or services.</p>	<p>Response: Staff has been educated to be more vigilant on making sure sales tax is not paid on material that NVFD should not be paying taxes on.</p> <p>Estimated Completion Date: Immediately</p>

Rating	Issues	Recommendation	Management Response
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations			
High	6. Background Screenings		
	<p>During our testing of background screenings for a sample of 20 active volunteer members, we noted the following:</p> <ul style="list-style-type: none"> • There was no evidence of performance of a DMV check and review for ten (10) active volunteer members. Service dates for these 10 active volunteer members were from 2009 to present. • There was no evidence of performance of a criminal check and review for ten (10) active volunteer members. Service dates for these 10 active volunteer members were from 2009 to present. <p>Evidence of performance of background checks are required by the PWC Code Chapter 9.1, the Virginia EMS Regulations and FRA Policy.</p> <p>PWC Code Chapter 9.1-16 (d) states “All career and volunteer personnel in or entering fire and rescue services, or the service of a political subdivision with which it has contracted for fire protection, shall agree to consent to undergo a criminal background check and a department of motor vehicle check. The results thereof shall be submitted to the county or the member company for consideration upon application, or as soon as practicable upon request for current and active members.”</p> <p>Virginia EMS Regulations 12VAC5-31-540 <i>Personnel records</i> state “An EMS agency shall have a record for each individual affiliated with the EMS agency documenting the results of a criminal history background check conducted through the Central Criminal Records Exchange and the National Crime Information Center via the Virginia State Police, a driving record transcript from the individual's state Department of Motor Vehicles office, and any documents required by the Code of Virginia, no more than 60 days prior to the individual's affiliation with the EMS agency.”</p>	<p>To comply with the Company's contract with the County, Virginia EMS Regulations and the PWC Code Chapter 9.1, we recommend the Company obtain and maintain all documented evidence of both the department of motor vehicle and criminal history background checks for each one of its volunteer members to ensure that all required screening has occurred. This documentation should be maintained in the respective volunteer member personnel files.</p> <p>We also recommend the Company document action taken or not taken upon evaluation of background screenings with prior/current violations. This documentation should be maintained in the member's personnel file.</p>	<p>Response:</p> <ol style="list-style-type: none"> 1. There was no evidence of performance of a DMV check and review for 11 members selected out of 20: <ol style="list-style-type: none"> a. During previous audits the recommendation was to mark the DMV portion of an application with an “OK” if no issues were uncovered. We acknowledge that some of the DMV checks only had a check mark which is in itself ambiguous and not clear. The guidance provided to us prior to this audit did not address the need to maintain a DMV record on people apply for membership. <p>Estimated Completion Date:</p> <ol style="list-style-type: none"> i. Going forward since Aug 1 2015 all members applying for membership are providing their DMV record and this record will be maintained in the personnel file for that member.

Rating	Issues	Recommendation	Management Response
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations			
High	6. Background Screenings - continued		
	<p>FRA Policy 1.1.5 Section 4.4 states “Operational Member Requirement – Each FRA member department shall maintain a minimum of 20 operational members. Operational members will remain at all time a member in good standing of the FRA member department, and comply with all Chapter 9.1, FRA Policies and Procedures, and other applicable County, State and Federal regulations.”</p>		<p>Response - continued:</p> <p>2. There was no evidence of performance of a criminal check and review for 11 members sampled out of 20:</p> <p>a. Some of the sample members have been members before Chapter 9.1 and were grandfathered in. We also acknowledge that under previous guidance this part of the application only received a check mark or was marked with “OK”.</p> <p>Since the State of Virginia has a new law that requires any person applying to an agency that provides EMS service to submit their fingerprints to the State of Virginia for a complete and compressive background check Nokesville Vol Fire and Rescue has implemented a process that any person applying for membership must receive a letter of approval from the Virginia Office of EMS (OEMS).</p> <p>Estimated Completion Date:</p> <p>i. Since July 1 2014 any person applying for membership must receive a letter from Virginia Office of Emergency Medical Services (OEMS). This process is in place and active. A copy of the letter from OEMS will be maintained in the member’s personnel file.</p>

Rating	Issues	Recommendation	Management Response
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations			
Certifications - Not a risk rated issue as it is not in effect until June 30, 2017 for incumbent members.			
	<p>The FRA had adopted Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County through Res. 13-73 dated October 16, 2013 with an implementation date of January 1, 2015. The FRA has granted an extension to incumbent members through June 30, 2017, via Res. 14-61 dated November 19, 2014. As of our testing we noted that 5 incumbent active volunteer members out of 20 sampled were missing one (1) or more minimum training requirements as per the Uniform Rank Structure.</p> <p>4.6.1. Incumbent Extension – Operational Members who are in their position on December 31, 2014, and do not meet the requirements of this policy shall be granted a two and one half calendar year extension ending June 30, 2017, to satisfy the requirements of this policy before being placed into a lower position to which the member qualifies under this policy.</p> <p>4.6.2. Operational Members Joining or Advancing in Rank on or after January 1, 2015 – The incumbent extension shall not apply to any person who becomes an Operational Member or advances in rank on or after January 1, 2015.</p>	<p>We recommend that the Company continue to monitor and implement Policy 4.5.1 Uniform Rank Structure. All certifications are required to be maintained by the Company's Training Officer in accordance with FRA Policy 4.5.9 <i>Training Records and Internship Packets</i>. The FRA has issued Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County.</p>	<p>N/A</p>

Board Member Survey Questions and Responses

Questions	1	2	3	4	5	6	7	8	9	10
1. How long have you been on the Board?	Not Active	NR	NR	NR	NR	1yr 4mos	NR	NR	NR	NR
2. Are you a voting or non-voting member of the Board?	Non-voting	NR	NR	NR	NR	Voting	NR	NR	NR	NR
3. Do you regularly attend the Board meetings?	No	NR	NR	NR	NR	Yes	NR	NR	NR	NR
4. If so, how often are Board meetings held?	when req.	NR	NR	NR	NR	Monthly	NR	NR	NR	NR
5. Do you have assigned duties/oversight as a Board member?	No	NR	NR	NR	NR	Yes	NR	NR	NR	NR
6. Were you elected in a public meeting?	Yes	NR	NR	NR	NR	Yes	NR	NR	NR	NR
7. Have you received a copy of the By-Laws of the Nokesville Volunteer Fire and Rescue Department?	Yes	NR	NR	NR	NR	Yes	NR	NR	NR	NR
8. Who holds oversight/authority over the operational function of the volunteer fire department?	Chief Hickerson	NR	NR	NR	NR	Chief Hickerson	NR	NR	NR	NR
9. Who holds oversight/authority over the administrative function of the volunteer fire and rescue department?	Mark Engman	NR	NR	NR	NR	Pres Mark Engman	NR	NR	NR	NR
10. At the Board meetings do you regularly receive financial reports?	No	NR	NR	NR	NR	No	NR	NR	NR	NR
11. Do these financial reports include the Non-Levy financial transactions/reports?	Yes	NR	NR	NR	NR	Yes	NR	NR	NR	NR
12. If so, does the Board discuss these financial reports?	No	NR	NR	NR	NR	Yes	NR	NR	NR	NR
13. Does the Board approve individual purchase transactions made from the Levy account above certain dollar thresholds made by the Nokesville Volunteer Fire and Rescue Department?	No	NR	NR	NR	NR	No	NR	NR	NR	NR
14. Does the Board approve individual purchase transactions made from the Non-Levy accounts above certain dollar thresholds made by the Nokesville Volunteer Fire and Rescue Department?	No	NR	NR	NR	NR	No	NR	NR	NR	NR
15. If so, provide examples of types of purchase transactions the Board approves.	NR	NR	NR	NR	NR	(1)	NR	NR	NR	NR
16. Does the Board approve the Levy account annual budget?	No	NR	NR	NR	NR	Yes	NR	NR	NR	NR
17. Does the Board approve amendments to the Levy account budget?	No	NR	NR	NR	NR	No	NR	NR	NR	NR
18. Does the Board approve the Non-Levy account annual budget?	Yes	NR	NR	NR	NR	Yes	NR	NR	NR	NR
19. Does the Board approve amendments to the Non-Levy account budget?	Yes	NR	NR	NR	NR	Yes	NR	NR	NR	NR
20. As a Board member, do you have any related party transactions with the Nokesville Volunteer Fire and Rescue Department?	No	NR	NR	NR	NR	No	NR	NR	NR	NR
21. Please briefly describe any related party transactions you may have with Nokesville Volunteer Fire and Rescue Department, if any.	NR	NR	NR	NR	NR	(2)	NR	NR	NR	NR
22. Please briefly describe any conflicts of interest you are aware of, if any.	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR

Board Member Survey Questions and Responses - continued

23. Please describe any areas for improvements to internal controls, if any?

Board Member	Response
1	NR
2	NR
3	NR
4	NR
5	NR
6	Routine repairs to units need to be approved prior to work being performed unless it is a emergency to get the unit back in service. Approval of routine repairs is undocumented and not tracked.
7	NR
8	NR
9	NR
10	NR

24. Please provide a description of your background as it relates to your fire and rescue experience.

Board Member	Response
1	Chief for 30+ years and owner of service company
2	NR
3	NR
4	NR
5	NR
6	30 years of fire and EMS service since the age of 16.
7	NR
8	NR
9	NR
10	NR

25. If you have any other comments you would like to provide, please feel free to do so.

Board Member	Response
1	I as Chief am not a member of the board of directors
2	NR
3	NR
4	NR
5	NR
6	NR
7	NR
8	NR
9	NR
10	NR

Board Member Survey Questions and Responses - continued

Additional Explanations Submitted in Survey

Board Member	Response
1	NR
2	NR
3	NR
4	NR
5	NR
6	(1) Non-levy purchase over \$500 are voted on by the membership at a monthly company meeting. Levy purchases are approved by the Chief and President. Financial statements are presented to the membership at monthly company meetings. (2) None. All non-levy monies that are spent must be approved by the membership at a monthly company meeting. The President can spend up to \$500 without prior approval of the membership.
7	NR
8	NR
9	NR
10	NR

Legend:

NR	No Response
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DRAFT not Approved by Audit Committee



**Occoquan-Woodbridge-Lorton Volunteer Fire Department
– Stations 2, 12 & 14**

Occoquan-Woodbridge-Lorton (OWL) Volunteer Fire Department

Chief:

Jim McAllister (since 2010)

Station Address and Year Opened:

Station 2: 1938	Station 12: 1990	Station 14: 1980
1306 F Street, Woodbridge, VA 22191	2170 Montgomery Ave, Woodbridge, VA 22191	12400 Hedges Run Dr Woodbridge, VA 22192

* Staffed by Volunteers from 6:00 PM to 6:00 AM Monday through Friday and weekends and holidays. Staffed by DFR career firefighters 6:00 AM to 6:00 PM.

Membership:

Active Operational Volunteer Members	112
Total Volunteer Members	158
DFR Approved Career Positions	
Station 2	10
Station 12	17
Station 14	17

Financial Data (per the FY 2016 Budget document posted on the County's website):

	Actual FY 2013	Actual FY 2014	Adopted FY 2015	Adopted FY 2016
Fire Levy Expenditure Budget	\$3,118,330	\$2,506,430	\$3,118,866	\$3,119,706

Fire Emergency and EMS Response (per the FY 2016 Budget document posted on the County's website):

	Actual FY 2013	Actual FY 2014	Adopted FY 2015	Adopted FY 2016
Fire incidents responded to by department	1,016	1,179	1,400	1,234
Fire incidents within first due area	668	573	700	634
EMS incidents responded to by department	5,064	4,890	5,300	5,065
EMS incidents responded to within first due area	2,957	3,041	3,150	3,041

Governing Board:

President:	William Spicer
Secretary:	Melissa Payne
Treasurer:	Debra Haight
Board Members:	Rebecca Barnes
	Ralph Bowman
	Robert Brown
	Barry King
	Ronald Miller
	Anna Smith
	Thomas Sullivan

Occoquan-Woodbridge-Lorton Volunteer Fire Department - continued

Apparatus:

	Station 2, 12 &14
Pumpers	6
Ladder Truck	2
Heavy Rescue Squad	1
Ambulances/ Medical Unit	6
Collapse Truck	1
Air/light Unit	1
Ventilation Unit	1
Boats	4
Brush Truck	2
EMS Golf Cart	1

Comments:

Bank Accounts:

Account Name	Account Description
Operating Account	This operating account was established with the intention to separately account for all of the levy fund purchases and reimbursements. Purchases that qualify for reimbursement by County levy funds are made using the account's debit card or are made by physical check. OWLVFD then submits qualified purchases to the County for processing, and the reimbursement is made by direct deposit from the County's levy funds to the account.
Other Accounts	OWLVFD also has a Bingo account, a Bingo Money Market account and an Operating Money Market account.

Debt: N/A

Leases: N/A

Subleases: N/A

Related Parties: N/A

Other: 9 paid employees:

5 office staff comprised of 1 full-time Business manager and 4 part-time assistants

4 maintenance staff comprised of 3 Mechanics and 1 Supervisor

Rating	Issues	Recommendation	Management Response
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations			
Low	1. Background Screenings		
	<p>During our testing of background screenings for a sample of 20 active volunteer members, we noted the following:</p> <ul style="list-style-type: none"> We were unable to validate if a DMV check was performed upon date of service, or at least by implementation of PWC Code Chapter 9.1 (9.1-16(d)), for four (4) active volunteer members. The DMV checks on file were performed on 2015 and the service dates ranged from 1989 - 2003. We were unable to validate if a criminal background check was performed upon date of service, or at least by implementation of PWC Code Chapter 9.1 (9.1-16(d)), for five (5) active volunteer members. The criminal background checks on file were performed on 2015 and the service dates ranged from 1989 - 2012. <p>Evidence of performance of background checks are required by the PWC Code Chapter 9.1, the Virginia EMS Regulations and FRA Policy.</p> <p>PWC Code Chapter 9.1-16 (d) states “All career and volunteer personnel in or entering fire and rescue services, or the service of a political subdivision with which it has contracted for fire protection, shall agree to consent to undergo a criminal background check and a department of motor vehicle check. The results thereof shall be submitted to the county or the member company for consideration upon application, or as soon as practicable upon request for current and active members.”</p>	<p>To comply with the Company's contract with the County, Virginia EMS Regulations and the PWC Code Chapter 9.1, we recommend the Company maintain all documented evidence of both the department of motor vehicle and criminal history background checks for each one of its volunteer members to ensure that all required screening has occurred and within the stipulated time period. This documentation should be maintained in the respective volunteer member personnel files.</p> <p>We also recommend the Company document action taken or not taken upon evaluation of background screenings with prior/current violations. This documentation should be maintained in the member's personnel file.</p>	<p>Response: The OWL Volunteer Fire Department takes great strides to ensure we are following the policies and meeting the requirements as set forth by Prince William County, the Commonwealth of Virginia and all other regulatory agencies concerning the fire and rescue service. OWL requires all candidates to provide a criminal history / background check and a copy of their current driving record in order for the candidate to be voted into probationary membership. Understanding that our candidates / members come from Maryland, Washington D.C. and the military, OWL decided to contract a national background check company to perform criminal history / background checks on our candidates from the Central Criminal Records Exchange and National Crime Information Center before the requirement was set forth by Virginia EMS regulations. We are also a very progressive department, continually updating our driving and criminal history / background checks on our existing members in accordance with our own internal policies. It has been the practice of our department to remove the old records once a new check has been performed.</p>

Rating	Issues	Recommendation	Management Response
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations - continued			
Low	1. Background Screenings		
	<p>Virginia EMS Regulations 12VAC5-31-540 <i>Personnel records</i> state “An EMS agency shall have a record for each individual affiliated with the EMS agency documenting the results of a criminal history background check conducted through the Central Criminal Records Exchange and the National Crime Information Center via the Virginia State Police, a driving record transcript from the individual's state Department of Motor Vehicles office, and any documents required by the Code of Virginia, no more than 60 days prior to the individual's affiliation with the EMS agency.”</p> <p>FRA Policy 1.1.5 Section 4.4 states “Operational Member Requirement – Each FRA member department shall maintain a minimum of 20 operational members. Operational members will remain at all time a member in good standing of the FRA member department, and comply with all Chapter 9.1, FRA Policies and Procedures, and other applicable County, State and Federal regulations.”</p>		<p>Response - continued: It should also be noted that some active members of the department joined before these items were required by policy or regulation. As noted in the audit, all members have received criminal history / background and driving record checks and are current in accordance with applicable policies and regulations.</p> <p>Estimated Completion Date: We currently have a log in each person's membership file for documenting active and inactive periods during a member's tenure. As suggested, we will utilize this log to document dates and changes to the members driving and criminal history / background checks whenever a previous document is removed and a new one is entered.</p>

Rating	Issues	Recommendation	Management Response
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations			
Certifications – - Not a risk rated issue as it is not in effect until June 30, 2017 for incumbent members.			
	<p>The FRA had adopted Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County through Res. 13-73 dated October 16, 2013 with an implementation date of January 1, 2015. The FRA has granted an extension to incumbent members through June 30, 2017, via Res. 14-61 dated November 19, 2014. As of our testing we noted that 3 incumbent active volunteer members out of 20 sampled were missing one (1) or more minimum training requirements as per the Uniform Rank Structure Policy.</p> <p>4.6.1. Incumbent Extension – Operational Members who are in their position on December 31, 2014, and do not meet the requirements of this policy shall be granted a two and one half calendar year extension ending June 30, 2017, to satisfy the requirements of this policy before being placed into a lower position to which the member qualifies under this policy.</p> <p>4.6.2. Operational Members Joining or Advancing in Rank on or after January 1, 2015 – The incumbent extension shall not apply to any person who becomes an Operational Member or advances in rank on or after January 1, 2015.</p>	<p>We recommend the Company continue to monitor and implement Policy 4.5.1 Uniform Rank Structure. All certifications are required to be maintained by the Company's Training Officer in accordance with FRA Policy 4.5.9 <i>Training Records and Internship Packets</i>. The FRA has issued Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County.</p>	<p>N/A</p>

Board Member Survey Questions and Responses

Questions	1	2	3	4	5	6	7	8	9	10
1. How long have you been on the Board?	NR	NR	Not	12 yrs	1 yr	6 yrs	6 yrs	7 yrs	NR	NR
4. Are you a voting or non-voting member of the Board?	NR	NR	Non-voting	Voting	Voting	Voting	Voting	Voting	NR	NR
2. Do you regularly attend the Board meetings?	NR	NR	Yes	Yes	Yes	Yes	Yes	Yes	NR	NR
3. If so, how often are Board meetings held?	NR	NR	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	NR	NR
4. Do you have assigned duties/oversight as a Board member?	NR	NR	NR	Yes	No	Yes	Yes	Yes	NR	NR
5. Were you elected in a public meeting?	NR	NR	NR	yes	Yes	Yes	No	Yes	NR	NR
6. Have you received a copy of the By-Laws of the Occoquan Woodbridge Lorton Volunteer Fire Department?	NR	NR	NR	Yes	Yes	Yes	Yes	Yes	NR	NR
7. Who holds oversight/authority over the operational function of the volunteer fire department?	NR	NR	NR	Chief McAllister	Chief	Chief, President & BOD	NR	Chief	NR	NR
8. Who holds oversight/authority over the administrative function of the volunteer fire department?	NR	NR	NR	President Spicer	President	President & BOD	NR	President	NR	NR
9. At the Board meetings do you regularly receive financial reports?	NR	NR	NR	Yes	Yes	Yes	NR	Yes	NR	NR
10. Do these financial reports include the Non-Levy financial transactions/reports?	NR	NR	NR	Yes	Yes	Yes	NR	Yes	NR	NR
11. If so, does the Board discuss these financial reports?	NR	NR	NR	Yes	Yes	Yes	NR	Yes	NR	NR
12. Does the Board approve individual purchase transactions made from the Levy account above certain dollar thresholds made by the Occoquan Woodbridge Lorton Volunteer Fire Department?	NR	NR	NR	Yes	Yes	Yes	NR	Yes	NR	NR
13. Does the Board approve individual purchase transactions made from the Non-Levy accounts above certain dollar thresholds made by the Occoquan Woodbridge Lorton Volunteer Fire Department?	NR	NR	NR	No	Yes	Yes	NR	Yes	NR	NR
14. If so, provide examples of types of purchase transactions the Board approves.	NR	NR	NR	(1)	(2)	(4)	NR	(6)	NR	NR
15. Does the Board approve the Levy account annual budget?	NR	NR	NR	Yes	Not sure	Yes	NR	Yes	NR	NR
16. Does the Board approve amendments to the Levy account budget?	NR	NR	NR	Yes	Yes	Yes	NR	Yes	NR	NR
17. Does the Board approve the Non-Levy account annual budget?	NR	NR	NR	Yes	Yes	Yes	NR	Yes	NR	NR
18. Does the Board approve amendments to the Non-Levy account budget?	NR	NR	NR	Yes	Yes	Yes	NR	Yes	NR	NR
19. As a Board member, do you have any related party transactions with the Occoquan Woodbridge Lorton Volunteer Fire Department?	NR	NR	NR	No	No	No	NR	No	NR	NR
20. Please briefly describe any related party transactions you may have with Occoquan Woodbridge Lorton Volunteer Fire Department, if any.	NR	NR	NR	N/A	(3)	(5)	NR	NR	NR	NR
21. Please briefly describe any conflicts of interest you are aware of, if any.	NR	NR	NR	N/A	None	None	NR	NR	NR	NR

Board Member Survey Questions and Responses - continued

23. Please describe any areas for improvements to internal controls, if any?

Board Member	Response
1	NR
2	NR
3	NR
4	We are working on a new employee manual and an accounting procedures policy once those are fully implemented, our controls will be greatly improved.
5	none that I can think of but the board is very judicious concerning all activities of OWL VFD
6	NR
7	NR
8	NR
9	NR
10	NR

24. Please provide a description of your background as it relates to your fire and rescue experience.

Board Member	Response
1	NR
2	NR
3	NR
4	Past medic, president for 6 years and know I'm the treasurer and hold a board position
5	23 yrs with OWL. I have been a fire LT and Capt and always an EMT
6	Was an EMT Held the following Ranks: Rescue LT. ,Rescue Chief
7	NR
8	I have served in most of the operational positions including Department Chief. I have previously served on the BOD before this current term. I have been employed as a career Firefighter in the past.
9	NR
10	NR

25. If you have any other comments you would like to provide, please feel free to do so.

Board Member	Response
1	NR
2	NR
3	NR
4	NR
5	NR
6	not at this time
7	NR
8	NR
9	NR
10	NR

Board Member Survey Questions and Responses - continued

Additional Explanations Submitted in Survey

Board Member	Response
1	NR
2	NR
3	NR
4	(1) New SCBA filling station
5	(2) Mandatory anything about \$10,000 but the Board is advised of other purchases (3) none but I run a fire crew on my duty days
6	(4) items at or above \$10,000.00 (5) Not clear what the question is. What is a "related party transaction"?
7	NR
8	(6) Any purchase over \$10000 requires separate approval in excess of the spending plan approval.
9	NR
10	NR

Legend:

NR	No Response
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Yorkshire Volunteer Fire Department – Station 8

Yorkshire Volunteer Fire Department

Chief:

Jerry Deem (since 2009)

Station Address and Year Opened:

Station 8 – 2004
8277 Patton Lane
Manassas, VA 20111

* Staffed by Volunteers from 6:00 PM to 6:00 AM Monday through Friday and weekends and holidays. Staffed by DFR career firefighters 6:00 AM to 6:00 PM.

Membership:

Active Operational Volunteer Members	58
Total Volunteer Members	72
DFR Approved Career Positions:	17

Financial Data (per the FY 2016 Budget document posted on the County's website):

	Actual FY 2013	Actual FY 2014	Adopted FY 2015	Adopted FY 2016
Fire Levy Expenditure Budget	\$670,411	\$626,281	\$703,606	\$706,086

Fire Emergency and EMS Response (per the FY 2016 Budget document posted on the County's website):

	Actual FY 2013	Actual FY 2014	Adopted FY 2015	Adopted FY 2016
Fire incidents responded to by department	170	210	200	182
Fire incidents within first due area	70	62	70	68
EMS incidents responded to by department	540	517	590	539
EMS incidents responded to within first due area	467	476	485	470

Governing Board:

President:	Daniel Frye
Secretary:	Susan Findley-Deem
Treasurer:	Tami Griffith
Board Members:	Roger Bryson
	Ricky Lam
	Shaun Kent
	Matt Hodge
	Jerry Deem

Yorkshire Volunteer Fire Department - continued

Apparatus:

	Station 8
Pumpers	2
Ambulances	2
Attack Unit/Rescue Squad	1
Light Trailer	1
Disaster Trailer	1

Comments:

Bank Accounts:

Account Name	Account Description
Levy Account	This checking account was established with the intention to separately account for all of the levy fund purchases and reimbursements. Purchases qualifying for reimbursement from County levy funds are made primarily check. Yorkshire VFD then submits qualified purchases to the County for reimbursement, and the reimbursement is made by direct deposit from the County's levy funds to the account.
Other Accounts	Yorkshire VFD also maintains a company account. This account is used for fund raising activities and expenditures related to fund raising activities.

Debt: N/A

Leases: N/A

Subleases: N/A

Related Parties: N/A

Other: Stipend paid to 1 Volunteer

Rating	Issues	Recommendation	Management Response
Board Governance			
High	1. Board Governance		
	<p>The most recent external audit of the financial statements for this volunteer company was for fiscal year 2008. We are unaware if an external audit is currently in progress for FY 2015. Per FRA Procedure 3.1.1 "FRA member volunteer companies shall obtain and submit to the FRA Budget Task Force, on a tri-annual basis, any audit financial statements and management letters issued by the auditor."</p> <p>Audited financial statements are intended to provide reasonable assurance, but not absolute assurance, that the financial statements are presented fairly, in all material respects, and/or give a true and fair view in accordance with the financial reporting framework.</p>	<p>We recommend that the Company follow FRA Procedure 3.1.1 regarding audited financial statements without exception.</p>	<p>Response: In the future, Yorkshire Volunteer Fire Department will follow FRA Procedure 3.1.1 regarding audited financial statements without exception. YVFD was under the understanding that the PWC audit would satisfy FRA Procedure 3.1.1; therefore, we delayed in proceeding with an annual audit. YVFD will proceed with a FY16 financial audit at the conclusion of the fiscal year.</p> <p>Estimated Completion Date: YVFD will proceed with a FY16 financial audit at the conclusion of the fiscal year (June 30th).</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
High	2. Bank Reconciliations		
	<p>During our review of procedures related to bank reconciliations we were unable to validate that the bank reconciliations are reviewed on a monthly basis performed by the Bookkeeper/Treasurer (same person).</p> <p>Bank reconciliation offers checks and balances for the Company's accounting and the bank's accounting. Bank reconciliations are a means to detect errors and misappropriation of funds. Nonperformance of a review of bank reconciliations to supporting documentation may cause delays in the identification of potential cash issues and / or irregularities.</p> <p>Without proper segregation of duties and controls surrounding cash, there is an increased likelihood of errors, misappropriation of funds or other types of irregularities to occur without being detected in a timely manner.</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> • Bank statements be submitted to the President for review prior to being provided to the Bookkeeper for use in reconciling the accounts. • The President document review of bank reconciliation prepared by the Bookkeeper/Treasurer, within 45 days of month end. • The Board receive and review the monthly bank reconciliations and compare them to the monthly reports, bank statements and canceled checks, within 45 days of month end. <p>The above will assist in minimizing possible errors in records, misappropriation of funds or other types of irregularities.</p>	<p>Response: In the future, YVFD will have monthly bank statements opened and signed by the person retrieving, opening and distributing the mail. The monthly bank statements will then be viewed by the President prior to being provided to the bookkeeper for reconciliation of accounts. The President will sign and date the monthly bank statements upon review. The monthly bank statements will be reconciled, signed and dated by the Treasurer. These reconciliations will be submitted to the President for further review and signature within 45 days of receipt of statements. The bank statements, bank reconciliations and cancelled checks will then be presented to the Board of Directors for final review.</p> <p>Estimated Completion Date: This procedure was implemented in October 2015 for the September bank statements.</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
High	3. County Purchasing Regulations, including Conflicts of Interest		
	<p>During our testing of cash disbursements we noted the following:</p> <ul style="list-style-type: none"> • Payments exceeding \$7,500 for 2 vendors, without evidence of adhering to County regulations requiring 3 written quotes. The following is the list of vendors and the payments to them from 07/01/2014 to 02/28/2015. <ul style="list-style-type: none"> ○ Rader Tire - \$9,379.00 ○ MCPSE - \$10,943.21 • In addition there were 12 vendors who were paid between \$1,000 and \$7,500 year to date at the time of testing, but no evidence was available that 3 verbal quotes had been solicited. <p>Section 15 of Chapter 9.1 provided below requires that all members of the FRA comply with the provisions of County Purchasing Regulations.</p> <p>An excerpt from the County's purchasing regulations is as follows:</p> <p>§300.04 Procurements of \$1,000 or More and Less Than \$15,000:</p> <p>Procurements of supplies or services estimated to cost \$1,000 or more, but less than \$15,000 shall be made in the open market, without sealed bids.</p> <p>No fewer than three (3) quotes shall be solicited for such supplies or services by mail, by telephone, electronically or by other public notice.</p> <p>A public record shall be maintained of all bids solicited and all quotes received. The record shall indicate which quote was accepted.</p> <p>Any bid in excess of \$7,500 quoted verbally, shall be confirmed in writing by the Bidder as soon as possible, but in any event before a contract is awarded.</p>	<p>We recommend that the Company follow the County's purchasing regulations without exception.</p>	<p>Response: As of September 1, 2015, YVFD is in full compliance with PWC Purchasing Regulations.</p> <p>Estimated Completion Date: September 1, 2015</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
Moderate	4. Cash Disbursements		
	<p>During testing of 25 cash disbursements, we noted the following:</p> <ul style="list-style-type: none"> Two (2) disbursements, disbursements in the amounts of \$3,526 and \$452, lacked authorization as required by the Company's Standard Operation Procedure A-8-02. The company received a reimbursement from the County in the amount of \$632, but the amount paid to the vendor was \$539. No evidence was provided for an adjustment of the \$93 difference. <p>Disbursements lacking proper supporting documentation and authorization could result in misappropriation and overspending of funds.</p> <p>Code of Virginia, § 2.2-4352. Prompt payment of bills by localities states: <i>The required payment date shall be either: (i) the date on which payment is due under the terms of the contract for the provision of the goods or services; or (ii) if a date is not established by contract, not more than forty-five days after goods or services are received or not more than forty-five days after the invoice is rendered, whichever is later.</i></p> <p>County practice is payment of vendor invoices within 30 days of receipt in accordance with The Federal Register Part II Office of Management and Budget 5 CFR Part 1315.4 (g) (iv) Prompt Payment. During our testing of purchasing and accounts payable we noted that 5 of the 25 payments tested were paid after the 30 day period.</p> <p>By failing to pay for goods or services timely the County and YVFD may be obligated to pay any late payment fees or penalties if demanded by vendor in case of late payments over 30 days.</p>	<p>We recommend the following be implemented for the establishment of effective internal controls around cash disbursements:</p> <ul style="list-style-type: none"> Adhere to SOP A-8-02 requiring authorization of all disbursements. Ensure payments are made within 30 days of receipt to comply with County guideline and to avoid any late payment penalties. <p>The above will assist the Company in gaining reasonable assurance that disbursements are proper and for valid purposes.</p>	<p>Response: Yorkshire VFD follows SOP A-8-02 requiring authorization of all disbursements. Sampling for the audit provided 2 examples which were paid prior to implementation of SOP A-8-02 which was implemented on August 1, 2015. YVFD will process payments within 30 days of receipt to remain compliant with PWC Financial guidelines.</p> <p>Estimated Completion Date: August 1, 2015</p>

Rating	Issues	Recommendation	Management Response
Financial Operations			
Low	5. Sales Tax		
	<p>During the course of our procedures related to expenditures it was noted the Company incurred sales tax totaling \$33.90 in 1 of 25 disbursements sampled.</p> <p>The Company is a structured not-for-profit entity and should not be paying sales tax on purchases. Payment of sales tax results in overspending of funds.</p>	<p>We recommend the Company review all expenses incurred to ensure sales tax is no longer paid on purchases made for the benefit of the Company. The Company should register with or inform all vendors it frequently does business with to ensure all vendors are aware of its exempt status.</p> <p>By doing the above it will ensure the Company does not incur any sales tax on purchases for goods or services.</p>	<p>Response: Yorkshire Volunteer Fire Department became fully compliant with PWC Purchasing regulations on September 1, 2015, thus ensuring that no sales tax will be incurred by purchasers.</p> <p>Estimated Completion Date: September 1, 2015</p>

Rating	Issues	Recommendation	Management Response
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations			
Low	6. Medical Clearances		
	<p>During our testing of medical clearances for a sample of 20 active volunteer members, we noted that one (1) active volunteer members had a baseline medical examination performed ten (10) months after their service date.</p> <p>Failure to have up to date medical clearances is a violation of PWC Code 9.1 and FRA policy.</p> <p>PWC Code Chapter 9.1-16 (b) states “every person providing fire and/or rescue response, whether paid or volunteer, who is in the service or entering the service of the county, or the service of a political subdivision or volunteer fire and/or rescue company with which the county has contracted for fire and/or rescue service shall receive a baseline medical examination in accordance with NFPA 1582, and, thereafter, an annual medical examination in accordance with NFPA 1582.”</p> <p>FRA Policy 4.8.3 Medical Evaluation Program requires annual medical evaluations to be conducted every 12 months (plus or minus 3 months) in conjunction with the Annual OSHA Medical Evaluation Questionnaire. Any member not receiving an annual medical evaluation shall be deemed non-operational and shall not participate in emergency response and/or training activities.</p> <p>FRA Policy 9.1.2 Respiratory Protection Program requires annual fit tests. Any member not receiving an annual fit test shall be deemed non-operational and shall not participate in emergency response and/or training activities.</p> <p>FRA Policy 1.1.5 Section 4.4 states “Operational Member Requirement – Each FRA member department shall maintain a minimum of 20 operational members. Operational members will remain at all time a member in good standing of the FRA member department, and comply with all Chapter 9.1, FRA Policies and Procedures, and other applicable County, State and Federal regulations.”</p>	<p>To comply with the Company’s contract with the County, FRA Policy and the PWC Code Chapter 9.1, we that the Company implement a process to monitor all volunteer members have a baseline medical evaluation.</p> <p>Implementing the above procedure listed will assist and help assure the YVFD is in compliance with the Prince William County Code Section 9.1 – 16.</p>	<p>Response: All YVFD operational staffing members are fully compliant with PWC Code Chapter 9.1 regarding baseline medical clearances. Operational members receive annual medical evaluations as required by the current code. All medical physicals and fit-tests are audited monthly to insure compliance for all operational staffing members. Any member going outside of the 12 month (+/- 3months) time frame is removed from operational status. YVFD has been compliant since inception of Chapter 9.1.</p> <p>Estimated Completion Date:</p>

Rating	Issues	Recommendation	Management Response
Operational – Compliance with County Contract, PWC Code Chapter 9.1, Fire and Rescue Association Policy and EMS Regulations			
	Certifications - Not a risk rated issue as it is not in effect until June 30, 2017 for incumbent members.		
	<p>The FRA had adopted Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County through Res. 13-73 dated October 16, 2013 with an implementation date of January 1, 2015. The FRA has granted an extension to incumbent members through June 30, 2017, via Res. 14-61 dated November 19, 2014. As of our testing we noted that 7 incumbent active volunteer members out of 20 sampled were missing eleven (11) or more minimum training requirements as per the Uniform Rank Structure.</p> <p>4.6.1. Incumbent Extension – Operational Members who are in their position on December 31, 2014, and do not meet the requirements of this policy shall be granted a two and one half calendar year extension ending June 30, 2017, to satisfy the requirements of this policy before being placed into a lower position to which the member qualifies under this policy.</p> <p>4.6.2. Operational Members Joining or Advancing in Rank on or after January 1, 2015 – The incumbent extension shall not apply to any person who becomes an Operational Member or advances in rank on or after January 1, 2015.</p> <p>As of our testing we noted that 11 members were missing 1 or more minimum training requirements as per Uniform Rank Structure Policy dated 10/16/2013.</p>	<p>We recommend the following: The Company continues to monitor and implement Policy 4.5.1 Uniform Rank Structure. All certifications are required to be maintained by the Company's Training Officer in accordance with FRA Policy 4.5.9 <i>Training Records and Internship Packets</i>. The FRA has issued Policy 4.5.1 <i>Uniform Rank Structure</i> that defines the required minimum certifications by position and rank for all fire/rescue companies in Prince William County.</p> <p>In any comprehensive fire and rescue system it is necessary to develop minimum certification levels for all participants to address issues of safety, accountability, legal considerations, and peer expectations. Because service delivery demands are equal upon volunteer and career members of the system and there is a need to have a centralized approach to training efforts, these minimum certification levels are necessary.</p>	<p>N/A</p>

Board Member Survey Questions and Responses

Questions	1	2	3	4	5	6	7	8
1. How long have you been on the Board?	6 yrs	6.5 yrs	NR	3 yrs	2 yrs	13 yrs	Less than 1yr	10 yrs
2. Are you a voting or non-voting member of the Board?	Voting	Voting	NR	Voting	Voting	Voting	Voting	Voting
3. Do you regularly attend the Board meetings?	Yes	Yes	NR	Yes	Yes	Yes	Yes	Yes
4. If so, how often are Board meetings held?	Monthly	Monthly	NR	Monthly	Monthly	Monthly	Monthly	Monthly
5. Do you have assigned duties/oversight as a Board member?	Yes	Yes	NR	Yes	Yes	Yes	Yes	Yes
6. Were you elected in a public meeting?	Yes	Yes	NR	Yes	Yes	Yes	Yes	Yes
7. Have you received a copy of the By-Laws of the Yorkshire Volunteer Fire and Rescue Department?	Yes	Yes	NR	Yes	Yes	Yes	Yes	Yes
8. Who holds oversight/authority over the operational function of the volunteer fire department?	Chief Deem	Chief	NR	Chief	Chief	Chief Deem	Chief Jerry Deem	Chief
9. Who holds oversight/authority over the administrative function of the volunteer fire and rescue department?	Daniel Frye	President	NR	President	President	President Frye	President Daniel Frye	President
10. At the Board meetings do you regularly receive financial reports?	Yes	Yes	NR	Yes	Yes	Yes	Yes	Yes
11. Do these financial reports include the Non-Levy financial transactions/reports?	Yes	Yes	NR	Yes	Yes	Yes	Yes	Yes
12. If so, does the Board discuss these financial reports?	Yes	Yes	NR	Yes	Yes	Yes	Yes	Yes
13. Does the Board approve individual purchase transactions made from the Levy account above certain dollar thresholds made by the Yorkshire Volunteer Fire and Rescue Department?	No	No	NR	Yes	Yes	Yes	No	Yes
14. Does the Board approve individual purchase transactions made from the Non-Levy accounts above certain dollar thresholds made by the Yorkshire Volunteer Fire and Rescue Department?	Yes	Yes	NR	No	Yes	Yes	Yes	Yes
15. If so, provide examples of types of purchase transactions the Board approves.	(1)	NR	NR	NR	NR	(2)	(3)	(4)
16. Does the Board approve the Levy account annual budget?	No	No	NR	Yes	Not sure	No	No	Yes
17. Does the Board approve amendments to the Levy account budget?	No	No	NR	Yes	No	Yes	No	Yes
18. Does the Board approve the Non-Levy account annual budget?	No	No	NR	Yes	Yes	No	No	Yes
19. Does the Board approve amendments to the Non-Levy account budget?	No	No	NR	Yes	Yes	No	No	Yes
20. As a Board member, do you have any related party transactions with the Yorkshire Volunteer Fire and Rescue Department?	No	Yes	NR	No	No	No	N/A	No
21. Please briefly describe any related party transactions you may have with Yorkshire Volunteer Fire and Rescue Department, if any.	NR	Printing services	NR	None	NR	None	N/A	(5)
22. Please briefly describe any conflicts of interest you are aware of, if any.	NR	NR	NR	NR	NR	N/A	N/A	None

Board Member Survey Questions and Responses

23. Please describe any areas for improvements to internal controls, if any?

Board Member	Response
1	After reading into this a bit, a more direct involvement with the budget could be looked into.
2	NR
3	NR
4	NR
5	NR
6	NR
7	N/A
8	NR

24. Please provide a description of your background as it relates to your fire and rescue experience.

Board Member	Response
1	NR
2	I have been a member for 25+ years. I have held a number of positions in the department over the years.
3	NR
4	NR
5	NR
6	I have 14 years in the fire and rescue service and professionally have a back ground in administrative management and personnel management.
7	I have been associated with York shire Fire and Rescue for just over one year.
8	EMT for 20 years

25. If you have any other comments you would like to provide, please feel free to do so.

Board Member	Response
1	NR
2	NR
3	NR
4	NR
5	NR
6	NR
7	NR
8	NR

Board Member Survey Questions and Responses

Additional Explanations Submitted in Survey

Board Member	Response
1	(1) the purchase of gym equipment.
2	NR
3	NR
4	NR
5	NR
6	(2) I know that we discuss/approve large purchases that need to be made for the department. Examples include but not limited to items such as gym equipment, office equipment, computers etc.
7	(3) Large ticket items. New gym equipment
8	(4) Vehicles, large repairs (5) Not sure what this question means

Legend:

NR	No Response
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