

Memorandum



CITY OF DALLAS
(Report No. A15-010)

DATE: August 7, 2015

TO: Honorable Mayor and Members of the City Council

SUBJECT: Audit of the Performance Measurement Process for the Department of Dallas Fire-Rescue¹

The City of Dallas' (City) Department of Dallas Fire-Rescue (DFR) reported reliable results for the five Fiscal Year (FY) 2014 performance measures selected and tested. Based upon the criteria used for this audit, a performance measure is considered reliable if it is certified or certified with qualification (see Attachment I for certification category definitions).

For the five performance measures selected, DFR had adequate:

- Written policies and procedures that included performance measure collection, calculation, review, and reporting
- Support for the methodology for the estimates reported in the FY 2013-14 Adopted Budget

Performance Measurement Process

The City's Performance Measurement Process is used by all City departments and offices to set target levels of performance in relation to their budgeted resources and to monitor progress toward meeting those targets. Each department and office is responsible for developing its own methods for monitoring progress for each performance measure in relation to the service(s) it provides.

Source: Performance Measures Process – Department of Strategic Customer Services

¹ This performance audit was conducted under the authority of the City Charter, Chapter IX, Section 3 and in accordance with the Fiscal Year 2014 Audit Plan approved by the City Council. The audit objective was to evaluate whether the performance measures used by the department were meaningful, accurate, supportable, reliable, and valid. The audit objective was further refined to evaluate whether the selected DFR performance measures were reliable based upon the definitions included in the *State of Texas Guide to Performance Measure Management, 2012 Edition*. The audit scope was from October 2013 to September 2014; however, certain other matters, procedures, and transactions occurring outside that period were reviewed to understand and verify information related to the audit period. This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. For the five performance measures selected, we: (1) reviewed written policies and procedures; (2) evaluated the methodology for the estimates reported in the *FY 2013-14 Adopted Budget*; (3) compared the data collection methodology to the performance measure definitions; (4) evaluated the adequacy of controls over performance measure data; (5) tested a sample of DFR's source documentation; and, (6) selected each performance measure's certification category based upon the results of these procedures.

- Support for the actual data in PerformanceSoft²
- Data collection processes that were consistent with the performance measure definition
- Controls over the performance measure data to ensure consistent reporting of reliable information
- Results accurate within five percent of what was reported in FY 2013-14 Adopted Budget and in PerformanceSoft

As a result, all five performance measures selected were designated as certified.

Table I below shows detailed results for the five performance measures tested.

Table I

Results for the Five Selected Performance Measures³

Description of Performance Measure	Measure Type	Reported Estimate ⁴ in Adopted Budget	Results Reported in PerformanceSoft	Certification Results
Average response time for first paramedic on scene for EMS calls (in minutes)	Effectiveness	5.15 minutes	5.02 minutes	Certified
Percent of first Company responding to structure fires within five minutes and 20 seconds of dispatch	Effectiveness	85%	85%	Certified
Number of incidents dispatched and monitored annually	Output	224,000	228,544	Certified
Percent of fleet in optimal state of readiness for delivery of service	Effectiveness	96%	95.46%	Certified
Number of inspections and re-inspections performed	No Designation ⁵	102,765	101,869	Certified

² PerformanceSoft is a software application used by City departments to record actual performance measure results.

³ Attachment I contains detailed explanations of the selected services and associated performance measures.

⁴ Each performance measure's Estimate, as reported in the *FY2013-14 Annual Adopted Budget*, is a combination of actual results and projected estimates.

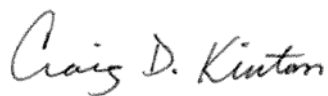
⁵ Although not designated as such, this is an output measure.

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We would like to acknowledge DFR management's cooperation and timely response in providing the information needed to complete this audit. The audit results were provided to and discussed with DFR management and, due to the positive results of the audit, no written response was required.

If you have any questions or need additional information, please contact me at 214-670-3222 or Carol Smith, First Assistant City Auditor, at 214-670-4517.

Sincerely,

A handwritten signature in cursive script that reads "Craig D. Kinton".

Craig D. Kinton
City Auditor

Attachments

C: A.C. Gonzalez, City Manager
Eric D. Campbell, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Chief Louie Bright III, Department of Dallas Fire-Rescue

Attachment I

Background

The Department of Dallas Fire-Rescue (DFR) provides the following eight services in support of its mission: 1) Fire and Rescue Emergency Response; 2) Fire Dispatch and Communications; 3) Fire-Rescue Equipment Maintenance and Supply; 4) Inspection and Life Safety Education; 5) Fire Investigation and Explosive Ordnance Disposal; 6) Fire Training and Recruitment; 7) Special Operations; and, 8) Fire Inspection for New Construction. The four services and the associated five performance measures selected for audit were:

Fire and Rescue Emergency Response – Provides for constant delivery of emergency and non-emergency fire and emergency medical services (EMS) response within the City of Dallas (City) accomplished through staffing fire engine, ladder truck, and ambulance apparatus on the front line at 57 fire stations throughout the City.

Performance measures:

1. Average response time for first paramedic on scene for EMS calls
2. Percent of first Company responding to structure fires within five minutes and 20 seconds of dispatch

Fire Dispatch and Communications – Supports inventory of technology equipment required for timely service delivery.

Performance measure:

3. Number of incidents dispatched and monitored annually

Fire-Rescue Equipment Maintenance and Supply – Designs, purchases, and maintains the fleet of emergency fire apparatus and appliances for the entire DFR.

Performance measure:

4. Percent of fleet in optimal state of readiness for delivery of service

Inspection and Life Safety Education – Improves safety throughout the City by preventing the occurrence of fire and fire-related deaths and injuries through municipal code development, enforcement, and public fire safety education. The service conducts more than 114,000 inspections annually.

Performance measure:

5. Number of inspections and re-inspections performed

Performance Measure Criteria

The State of Texas *Guide to Performance Measure Management, 2012 Edition* (Guide) issued jointly by the Texas State Auditor's Office, the Legislative Budget Board, and the Governor's Office of Budget, Planning, and Policy was used as the criteria for determining whether the DFR performance measures were reliable. According to the Guide, performance measures are designated as "certified", "certified with qualification", "inaccurate", or "factors prevented certification". These categories are assigned based on a combination of the adequacy of the controls over a performance measure and the results of testing a sample of source documents. A performance measure result is considered reliable if it is "certified" or "certified with qualification". The following are explanations for the certification categories for performance measures:

- Certified – if the reported performance result is accurate within five percent and if it appears that controls to ensure accuracy are in place for collecting and reporting performance data
- Certified with Qualification – when reported performance appears accurate, but one of the following conditions exists: (1) the controls over data collection and reporting are not adequate to ensure continued accuracy; (2) controls are strong, but source documentation is unavailable for testing; and (3) if the department's calculation of performance deviated from the performance measure definition, but the deviation caused less than a five percent difference between the result reported and the correct performance measure result
- Inaccurate – when the actual performance is five percent or greater than the reported performance, or when there is a five percent or greater error rate in the sample of documentation tested; also, if the department's calculation deviated from the performance measure definition and caused a five percent or greater difference between the number reported and the correct performance measure result
- Factors Prevented Certification – if documentation is unavailable and controls are not adequate to ensure accuracy; also, used when there is a deviation from the performance measure definition and the auditor cannot determine the correct performance measure result