

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

GOVERNMENT AUDIT AND OVERSIGHT COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor London Breed, Chair
Government Audit and Oversight Committee

FROM: Erica Major, Committee Clerk

DATE: February 27, 2014

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**
Tuesday, March 4, 2014

The following file should be presented as a **COMMITTEE REPORT** at the Board meeting, Tuesday, March 4, 2014. This item was acted upon at the Committee Meeting on February 27, 2014 at 10:30 a.m., by the votes indicated.

Item No. 26 **File No. 140128**

Motion directing the Budget and Legislative Analyst to conduct two performance audits in 2014 and setting the priority as follows: 1) the Fire Department's allocation of resources to emergency medical services; and 2) the Fire Department's administrative staffing and strategic planning; and removing from the Budget and Legislative Analyst's audit plan the Department of Public Health's compliance with privacy and security regulations as defined by the Health Information Technology for Economic and Clinical Health Act and Health Insurance Portability and Accountability Act, previously approved by the Board of Supervisors.

RECOMMENDED AS A COMMITTEE REPORT

Vote: Supervisor London Breed - Aye
Supervisor Katy Tang - Aye
Supervisor David Chiu - Aye

cc: Board of Supervisors
Angela Calvillo, Clerk of the Board
Rick Caldeira, Legislative Deputy Director
Jon Givner, Deputy City Attorney

File No. 140128

Committee Item No. 2

Board Item No. 26

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date February 27, 2014

Board of Supervisors Meeting

Date MARCH 4, 2014

CMTE BOARD

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| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
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OTHER

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Completed by: Erica Major Date February 21, 2014

Completed by: _____ Date _____

1 [Setting the 2014 Budget and Legislative Analyst Services Audit Plan]

2
3 **Motion directing the Budget and Legislative Analyst to conduct two performance**
4 **audits in 2014 and setting the priority as follows: 1) the Fire Department's**
5 **allocation of resources to emergency medical services; and 2) the Fire**
6 **Department's administrative staffing and strategic planning; and removing from**
7 **the Budget and Legislative Analyst's audit plan the Department of Public Health's**
8 **compliance with privacy and security regulations as defined by the Health**
9 **Information Technology for Economic and Clinical Health Act and Health**
10 **Insurance Portability and Accountability Act, previously approved by the Board of**
11 **Supervisors.**

12
13 WHEREAS, It is the policy of the Board of Supervisors that each program of the City
14 and County of San Francisco be the subject of a performance audit at least once every eight
15 years; and

16 WHEREAS, The function of regular performance audits is to ensure that City
17 departments and agencies make prudent and efficient use of City resources and also
18 effectively perform the functions assigned to them by the Charter and applicable laws; and
19 now be it;

20 MOVED, That the Budget and Legislative Analyst is hereby directed as a first priority to
21 conduct a performance audit of the Fire Department's allocation of resources to emergency
22 medical services; and

23 MOVED, That the Budget and Legislative Analyst is hereby directed as a second
24 priority to conduct a performance audit of Fire Department's administrative staffing and
25 strategic planning; and, be it

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
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TDD/TTY No. 554-5227

submitted: 2/18/2014

MEMORANDUM

TO: Harvey Rose, Budget Analyst
Chief Joanne Hayes-White, Fire Department
Micki Callahan, Director, Department of Human Resources
Jason Elliott, Mayor's Office
Monica Quattrin, Fire Commission

FROM: ^{lmw} Erica Major, Clerk, Government Audit and Oversight Committee
Board of Supervisors

DATE: February 18, 2014

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Breed on February 11, 2014:

File No. 140128

Motion directing the Budget and Legislative Analyst to conduct two performance audits in 2014 and setting the priority as follows: 1) the Fire Department's allocation of resources to emergency medical services; and 2) the Fire Department's administrative staffing and strategic planning; and removing from the Budget and Legislative Analyst's audit plan the Department of Public Health's compliance with privacy and security regulations as defined by the Health Information Technology for Economic and Clinical Health Act and Health Insurance Portability and Accountability Act, previously approved by the Board of Supervisors.

This matter is being forwarded to your department for informational purposes. If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c:
Debra Newman, Budget and Legislative Analyst Office
Severin Campbell, Budget and Legislative Analyst Office
Gabriela Loeza, Budget and Legislative Analyst Office
Kelly Alves, Fire Department

Member, Board of Supervisor
District 5



orig: G() COMM CLERK
COB, Reg Dep.

City and County of San Francisco

LONDON N. BREED

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2014 FEB 19 PM 2:25

DATE: February 19, 2014
TO: Angela Calvillo
Clerk of the Board of Supervisors
FROM: Supervisor Breed
Chairperson
RE: Government Audit and Oversight Committee
COMMITTEE REPORT

Pursuant to Board Rule 4.20, as Chair of the Government Audit and Oversight Committee, I have deemed the following matter is of an urgent nature and request it be considered by the full Board on March 6, 2014, as a Committee Report:

**140128 Setting the 2014 Budget and Legislative Analyst Services
Audit Plan**

Motion directing the Budget and Legislative Analyst to conduct two performance audits in 2014 and setting the priority as follows: 1) the Fire Department's allocation of resources to emergency medical services; and 2) the Fire Department's administrative staffing and strategic planning; and removing from the Budget and Legislative Analyst's audit plan the Department of Public Health's compliance with privacy and security regulations as defined by the Health Information Technology for Economic and Clinical Health Act and Health Insurance Portability and Accountability Act, previously approved by the Board of Supervisors.

This matter will be heard in the Government Audit and Oversight Committee on February 27, 2014, at 10:30 a.m.

A handwritten signature in black ink, appearing to read "London N. Breed".

MEMORANDUM

TO: Clerk of the Board

FROM: Supervisor COTTEN

MEETING DATE: FEB 11, 2014

Please add my name as a SPONSOR to the following agenda items:

Campos - City College resolutions

✓ Breed - Hearing & request on Fire Dept.

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**Performance Audit of
the City's Practices to
Recruit, Retain and Promote
Uniformed Fire Staff
and the Fire Department's
Use of Overtime
to Meet Minimum Staffing Requirements**

Prepared for the

**Board of Supervisors
of the City and County of San Francisco**

by the

San Francisco Budget and Legislative Analyst

January 13, 2014

BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292
FAX (415) 252-0461

January 13, 2014

Honorable Malia Cohen,
and Members of the Board of Supervisors
City and County of San Francisco
Room 244, City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Dear Supervisor Cohen and Members of the Board of Supervisors:

The Budget and Legislative Analyst is pleased to submit this *Performance Audit of the City's Practices to Recruit, Retain and Promote Uniformed Fire Staff and the Fire Department's Use of Overtime to Meet Minimum Staffing Requirements*. In response to a motion adopted by the Board of Supervisors on July 9, 2013 (Motion No. M13-084), the Budget and Legislative Analyst conducted this performance audit, pursuant to the Board of Supervisors powers of inquiry as defined in Charter Section 16.114 and in accordance with U.S. Government Accountability Office (GAO) standards, as detailed in the Introduction to the report.

The purpose of the performance audit was to evaluate the economy, efficiency and effectiveness of the City's recruitment, retention, and promotion of uniformed Fire Department positions, and the Fire Department's overtime staffing, including a review of the Fire Department's: (1) recruitment, testing, promotion and retention of new firefighters and paramedics over the past five years; and (2) use of overtime to meet the Fire Department's staffing requirements.

The performance audit contains six findings, and 19 recommendations directed as appropriate to the Fire Chief, the Director of Human Resources, and the Fire Commission, and one recommendation directed to the Mayor. The Executive Summary, which follows this transmittal letter, summarizes the Budget and Legislative Analyst's findings and recommendations. The proper implementation of our recommendations would result in an estimated net General Fund savings of \$1,600,000 annually.

The Fire Chief, Director of Human Resources, and Fire Commission have provided written responses to our performance audit which are attached to this report, beginning on page 72. In total, these departments agree or partially agree with 14 of our 19 recommendations, or 74 percent. The departments disagree or partially disagree with 5 of our 19 recommendations, or 26 percent, as described below.

Board of Supervisors
Budget and Legislative Analyst

- The Fire Chief disagrees with Recommendation 1.3, which states that the Fire Chief should ensure that recruitment responsibilities have been sufficiently clarified between DHR and the Fire Department. In her response, the Fire Chief states that “both DHR and the Fire Department are clear on its recruitment responsibilities”.

However, as noted on page 17 of our report, “In interviews, employees from each department charged the other with responsibility for recruitment. In fact, currently no City department actively performs or participates in any recruitment activities for uniformed Fire Department employees”. Also, as noted on page 26 of our report, “The Fire Department has not had dedicated recruitment staff since it lost its EEO/Recruitment unit in 2004 due to budget cuts. Although DHR absorbed the unit’s positions, neither the Fire Department nor DHR have established whether any of the unit’s recruitment and outreach activities were also transferred to DHR”.

- The Director of Human Resources disagrees with Recommendation 3.2, which states that the Director of Human Resources should ensure that future H2 job announcements include all potential selection criteria, and to the extent possible, the relative weight of these criteria should also be clearly stated on the job announcement. The Director of Human Resources states that DHR already publishes the secondary criteria, which are not weighted or scored. These criteria provide “flexibility for the hiring manager to make determinations about which criteria are most relevant based on the business needs *at the time the hiring takes place*”.

It should be noted that our report specifically states on pages 38 that the “relative importance [of selection criteria] should be clarified *to the greatest extent possible*” [emphasis added]. Acknowledging the value of the appointing officer’s discretion, our report contends only that “if the Department intends to give preference to candidates [based on specific criteria], the Department should make the criteria explicit”, as stated on page 39.

- The Director of Human Resources disagrees with Recommendation 4.1, which states that the Director of Human Resources should review procedures regarding promotional test development, particularly with regard to the timing of the answer key development, to ensure sufficient opportunity to identify errors with the test instrument prior to test administration. In her written response, the Director of Human Resources states that the current process has been “driven by deep-seated mistrust and suspicion among various groups within the Fire Department, which unfortunately goes back decades... [and that] since it is not possible for the answer key to be known prior to a test’s administration, it helps to allay candidate concerns regarding test security.”

However, as discussed on page 46 of our report, “by creating the answer key at the time of administration, without any pre-testing of the exam instrument, the

Honorable Malia Cohen,
and Members of the Board of Supervisors
Performance Audit of Hiring, Promotion and Overtime Practices at the Fire Department
January 13, 2014
Page 3 of 3

Department of Human Resources does not allow for the opportunity to identify any problems with the test questions in advance of administration.”

- The Fire Commission disagrees with Recommendation 1.4, which states that the Fire Commission should ensure that all public meetings are recorded and archived. Although the Fire Commission disagrees with the recommendation, the Commission responded that all meetings are recorded and verbatim transcripts are prepared and “readily available to the public.”

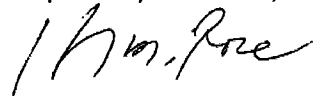
As noted on page 18 of our report, “to ensure availability of this information, the Fire Commission should create and archive audio recordings of all meetings, posted for public use on the Fire Commission website.”

- The Fire Commission disagrees with Recommendation 1.5 which suggests that it consider relocating meetings to City Hall to encourage greater participation, because “it is vital for the Department’s Command Staff to be close to the Department’s Emergency Command Center in the event of an emergency.

On page 18 of our report, however, we point out that “in keeping with the practice of most other City Commissions, the Fire Commission should consider relocating its meetings to City Hall.” Both the City’s Disaster Council and the Police Commission currently hold their meetings at City Hall.

We would like to thank the Fire Chief and the Director of Human Resources and their staffs for their cooperation during this performance audit.

Respectfully submitted,



Harvey M. Rose
Budget and Legislative Analyst

cc: President Chiu
Supervisor Avalos
Supervisor Breed
Supervisor Campos
Supervisor Farrell
Supervisor Kim
Supervisor Mar
Supervisor Tang
Supervisor Wiener
Supervisor Yee

Mayor Lee
City Administrator
Clerk of the Board
Jon Givner
Kate Howard
Controller
Director of Human Resources
Fire Chief
President, San Francisco Fire Commission

Board of Supervisors
Budget and Legislative Analyst

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Executive Summary

The Board of Supervisors directed the Budget and Legislative Analyst's Office to conduct a performance audit of the San Francisco Fire Department, through a motion (M13-084) approved on July 9, 2013. The performance audit evaluated the economy, efficiency and effectiveness of the City's recruitment, retention, and promotion of uniformed Fire Department positions, and the Fire Department's overtime staffing.

Introduction

The San Francisco Fire Department operates 43 fire stations throughout the City, divided into 2 divisions, as well as 3 stations located at the San Francisco International Airport. The Fire Department requires a daily fire suppression¹ staffing level of 297 uniformed employees. In addition, the Department operates Station 49, which deploys ambulances throughout San Francisco ("the City").

Previous Organizational Changes

In 1997, San Francisco's Emergency Medical Services (EMS) functions relocated from Department of Public Health (DPH) to the Fire Department to create a fire-based EMS system. Mirroring a nationwide trend, this merger sought to improve the response rate of EMS services while more effectively utilizing the resources of the Fire Department.

From 1997-2005, the Fire Department initiated several strategies to improve the effectiveness of the merger, including:

- Creating new employee classifications for the paramedics that transferred from DPH to the Fire Department (H1) and for firefighters who completed paramedic training (H3);
- Cross-training paramedics to become firefighter/paramedics (H3); and
- Hiring firefighter/paramedics from outside of the department, known as "lateral hires".

In 2005, following several reports² criticizing the effectiveness of the merger (noting low morale, deteriorating response times, internal cultural clashes, and high attrition), the Fire Commission took steps to address concerns by authorizing a reconfiguration of the Department. As part of the reconfiguration, the Department amended the H3 classification to include three levels: H3 Level 1 for EMTs; H3 Level 2 for Paramedics;

¹ Fire suppression refers to the Department's firefighting operations, including staffing the fire trucks and engines assigned to the Department's fire stations.

² Including the Budget and Legislative Analyst's 2002 Audit and the Controller's 2004 Report.

and H3 Level 3 for Firefighter/Paramedics. According to the Department of Human Resources:

the bundling of the EMT/Paramedic/Firefighter positions into the H3 deep class provides a seamless transition for the employee and operational flexibility for the SFFD as employees matriculate through the EMS education process. The H3 deep class also establishes a classification that traces a logical career path from entry as a transport EMT to a fully cross-trained firefighter/paramedic.³

This reconfigured fire-based EMS system continues to operate as of December 2013.

Legal Mandates Impacting Fire Department Operations

Over the past few decades, the courts and electorate have taken actions that have had lasting impact on the operational management of the Fire Department.

1988 Consent Decree

In 1987, a federal judge ordered a consent decree⁴ that required the San Francisco Fire Department to achieve a workforce of 40 percent minorities and 10 percent women (of whom, half were to be minorities). Specifically, the agreement stated⁵ that:

in order to eradicate the present effects of past employment practices with respect to minorities and women, the City shall adopt and seek to achieve as a long-term goal the recruitment, appointment, retention and promotion of qualified minorities and women in sufficient numbers so as to increase substantially the minority and female composition of the San Francisco Fire Department.

To ensure compliance with this mandate, the courts appointed a federal monitor to oversee implementation.

Stipulated Order

In 1997, nearly ten years following the consent decree, the Court issued a stipulated order that terminated the consent decree and set ongoing standards for the San Francisco Fire Department, which the Judge considered "necessary to fully effectuate the goals and policies underlying the Consent Decree, to eliminate vestiges of past discrimination, and to continue the process of diversifying the Department."

Proposition F

In 2006, the Board of Supervisors approved an ordinance, approved by the voters, that added a section to the San Francisco Administrative Code requiring the Fire Department to "maintain and operate firehouses and emergency apparatus at the

³ DHR's Staff Report of Civil Service Commission, January 25, 2006.

⁴ A consent decree is a final, binding agreement that codifies the terms of a voluntary agreement to bring an end to civil litigation.

⁵ Consent Decree, Section III Hiring Goals, 6, Issued by the US District Court on May 20, 1988.

same location and to the same extent as existed on January 1, 2004” and requiring all fire stations to remain open 24 hours a day, seven days a week. This legislation permanently locked into place the City’s 2004 emergency response system.

SFFD Uniformed Staff Demographics

According to data provided by the Fire Department, the goals established by the 1988 consent decree for employing a diverse workforce have largely been maintained. As the table below shows, the percent of uniformed employees identified as minorities has increased from 48 percent to 52 percent of the total uniformed fire positions over the past six years. The consent decree required that the Department maintain at least 40 percent minorities in uniformed positions.

Annual Count and Percentage of Uniformed Employees by Race, 2008-09 to 2013-14

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Caucasian	806	755	694	672	667	674
Percent of Total	52%	50%	49%	48%	48%	48%
Minorities						
African American	153	152	146	142	138	142
Percent of Total	10%	10%	10%	10%	10%	10%
Hispanic	233	229	225	224	221	217
Percent of Total	15%	15%	16%	16%	16%	16%
Asian Pacific	258	258	253	259	261	267
Percent of Total	17%	17%	18%	19%	19%	19%
Filipino	84	89	85	88	87	85
Percent of Total	5%	6%	6%	6%	6%	6%
Nat.American/Other	12	11	11	11	11	10
Percent of Total	1%	1%	1%	1%	1%	1%
Total Minorities	740	739	720	724	718	721
Percent of Total	48%	50%	51%	52%	52%	52%
Total	1,546	1,494	1,414	1,396	1,385	1,395

Source: Fire Department Data

Similarly, the Department has maintained, and even exceeded, the staffing goals for women (10 percent) established by the consent decree, as shown in the table below.

Annual Count and Percentage of Uniformed Employees by Gender, 2008-09 to 2013-14

Year	Women	% Women	Men	% Men	Total
2008-09	227	15%	1319	85%	1546
2009-10	224	15%	1270	85%	1494
2010-11	222	16%	1192	84%	1414
2011-12	223	16%	1173	84%	1396
2012-13	223	16%	1162	84%	1385
2013-14	223	16%	1172	84%	1395

Source: Fire Department Data

Organization and Management

From 1988 through 2009, the Fire Department's Fire Services Examinations Unit managed the development and administration of entry-level and promotional tests for candidates of the Fire Department. In 2009, in an effort to recentralize all public safety test administration to create and maintain consistent standards and processes, the Fire Services Examination Unit was transferred to the Department of Human Resources (DHR). Despite the transfer of function from the Fire Department to DHR, there remains ongoing uncertainty between the departments with regard to responsibility for recruitment.

Because uniformed positions in the Fire Department are public jobs, access to these jobs through recruitment, testing, entry-level hiring and promotion needs to be well understood. In recent years, the Fire Department has made important policy decisions regarding selection of candidates that have not been shared publicly. For example, the Fire Department has not made clear its policy with regard to hiring Paramedics and EMTs from within the Department into the Firefighter rank. In order to generate greater public trust, the Department must document policies and processes, and provide more detailed public information regarding performance measures and planning objectives. In addition, the Fire Commission meeting minutes, which should provide an historical account of policy decisions, fail to capture meeting discussions completely. The Fire Commission should ensure that all meeting minutes are recorded and archived, and should consider relocating meetings to City Hall to encourage greater public participation.

The Fire Department should also ensure a sufficient allocation of resources to support all Department functions. As shown below, over 76 percent of all calls for service are for emergency medical services, whereas less than 24 percent are for fire suppression.

Comparison of Calls for Service by Function, 2005-06 to 2012-2013

Year	Calls for Service				
	Total	EMS	% EMS	Fire	% Fire
2005-2006	100,402	76,678	76.4%	23,724	23.6%
2006-2007	102,721	75,795	73.8%	26,926	26.2%
2007-2008	107,138	79,605	74.3%	27,533	25.7%
2008-2009	106,066	79,719	75.2%	26,347	24.8%
2009-2010	108,076	81,449	75.4%	26,627	24.6%
2010-2011	116,981	89,231	76.3%	27,750	23.7%
2011-2012	120,396	92,068	76.5%	28,382	23.6%
2012-2013	120,536	92,255	76.5%	28,281	23.5%

Source: Fire Department Reports

Despite the higher volume of calls for emergency medical services, EMS staffing levels are significantly lower than those for fire suppression.

Comparison of Staffing Levels for EMS and Suppression, 2013

Classifications H51 and below	Actual Employee Count, 2013		Authorized FTE, 2013	
	Count, 2013	% of Total	2013	% of Total
EMS	323	23.2%	381	21.9%
Suppression	1070	76.8%	1358	78.1%
Total	1393		1739	

Source: Fire Department Data

The primary risk of inadequate staffing in emergency medical services is patient care. When there is not a paramedic available to respond to an emergency medical call, the 911 dispatcher logs that call for service as “medic-to-follow”— meaning the caller must wait for the next available paramedic to be dispatched. The table below shows the number of “medic-to-follow” calls since 2008, which increased 400 percent from 2008 to 2012. The total for 2013 represents the number of “medic-to-follow” calls as of October 31, 2013.

Table 1-4
Medic-to-Follow Calls, 2008 to 2013

Year	Medic-to-Follow Calls
2008	504
2009	1,057
2010	2,802
2011	3,274
2012	2,020
2013	2,475

Source: Fire Department Data

Importantly, the Fire Department also has the opportunity to generate revenue through its emergency medical services functions by transporting patients via ambulance. San Francisco currently maintains the Exclusive Operating Area (EOA) for ambulance services throughout the City. In order to meet EOA requirements and provide the highest quality of patient care by ensuring response times, the Department must allocate resources properly and provide sufficient staffing to ensure the capacity to meet EMS goals.

Recruitment and Outreach

To produce a pool of qualified candidates, public safety departments typically engage in active recruitment and outreach, often directed by strategic planning goals. In San Francisco, during the consent decree, the Department had a robust targeted recruitment strategy in place that sought to identify candidates, solicit interest in the entry-level firefighter job and attract a pool of applicants reflecting the City's demographic diversity.

Since FY 2002-03, the Fire Department has not had dedicated recruitment staff, following the elimination of its Equal Employment Opportunity (EEO)/Recruitment Unit due to budget reductions. When the Fire Services Examinations Unit was transferred from the Fire Department to the Department of Human Resources (DHR) in 2009, the transfer of recruitment responsibilities was not specifically defined.

A survey of other fire departments indicates that the recruitment function typically resides at the Fire Department (rather than Human Resources). The City's other public safety departments - Police and Sheriff - manage their own recruitment activities.

The Fire Department relies on employee (or affinity) groups to mentor, recruit and conduct outreach activities, including outreach activities to minority communities and women. The Fire Department has not developed a plan to coordinate, track, measure and report on the outcomes of these activities. To ensure that the Fire Department meets its hiring goals, it should develop a recruitment and outreach plan, informed by City policy, and actively monitor and report on achievement of the plan's goals and objectives.

The Department of Human Resources has proposed piloting a continuous testing model for the Fire Department's entry-level H2 firefighter position to begin in early 2014 when the current H2 eligibility list expires. DHR management expects the testing model to increase the quality and diversity of the applicant pool in part by reducing the time lapse between first contact with a candidate and that candidate's testing date. Since the impact of the continuous testing model on the applicant pool will not

be known until the new model is in place, the Director of Human Resources should prepare and present to the Fire Chief for presentation to the Fire Commission monthly updates for the continuous testing pilot program and, at the end of the continuous testing pilot program, a summary analysis of performance and outcome measures of the pilot program.

Entry-Level Selection

The process of selecting H2 entry-level firefighters for the Fire Department's fire academy classes has been complicated by the large number of applicants for relatively few positions, as well as the merger of the EMS and fire suppression functions within the Fire Department.

The Rule of the List eligibility certification does not require that the appointing officer, which is the Fire Chief, follow strict rank order of test scores. Instead, the Fire Chief has total discretion in selecting H2 candidates from the eligibility list for the fire academy. In selecting candidates for the last three fire academies, the Chief has used a survey that collects the candidate's history of professional experience, education, language skills, licensing and certifications and other business-related criteria to gain a complete picture of qualifications.

However, neither the use of the additional criteria collected in the survey nor the survey process itself was described in the most recent H2 job announcement (2009). For applicants to prepare for the selection of entry-level firefighter positions, the Fire Department should make known to the public the use of all selection tools and business-related criteria, including current service in the Department and firefighter experience or academic preparation.

Additional confusion with regard to entry-level selection has stemmed from classification changes following the EMS merger, where formal and informal revisions to existing classifications have resulted in overlapping classifications and unclear career paths. The Fire Department initially created a classification for cross-trained paramedics/firefighters, but in general, firefighters did not show interest in cross-training as paramedics. In 2006 DHR reclassified the paramedic/firefighter position into a deep class— H3 EMT/Paramedic/Firefighter—in which entry-level positions could gain skills and advance to the fully cross-trained paramedic/firefighter. However, opportunities to advance into the fully cross-trained position have been limited. For example, for the last three fire academies, only 15 EMTs and 10 Paramedics were selected. In 2011, the Fire Department and Firefighters Union agreed to a less formal H2 P designation for H2 firefighters with paramedic training

that requires similar skills to the fully cross-trained H3 paramedic/firefighter classification. Although the Fire Department has established overlapping classifications, the Fire Department has no formal policy on hiring existing H3 EMT/Paramedic staff into H2 Firefighter positions. Due to the changes in Fire Department classifications in recent years, DHR should evaluate the existing H2 Firefighter (including H2P) class and H3 EMT/Paramedic/Firefighter deep class to ensure that they are appropriate to meet the Fire Department's staffing needs.

Promotions

As evidenced by legal challenges, some Fire Department employees do not have confidence in the fairness of Fire Department policies and practices with regard to departmental promotions. Although the City has taken steps to adapt the process of promotional testing in order to mitigate claims of discrimination and favoritism, there are opportunities to improve the City's promotional process for uniformed fire employees, both before and after promotions have been made.

The City has designed a process for developing fire services examinations for uniformed positions, through which answer keys are developed concurrently with test administration, which does not comply with national industry practices. According to the Fire Department and DHR, the purpose of the concurrent development of the answer key is to prevent the appearance of any irregularities or malfeasance. However, the current process does not allow for sufficient opportunity to identify and correct errors in the test instrument prior to test administration, and the City should review these procedures to improve the reliability and validity of the test.

In addition, training requirements for promotions at the Fire Department should more accurately reflect job qualifications. Currently, employees can be promoted to high-ranking positions without demonstrating proficiency in management and administration. A total of 38 command staff have not been cross-trained in emergency medical services. Yet through promotions, they are charged with supervising paramedic staff. The Fire Department should establish a Professional Development plan that details training required for advancement at the Fire Department, including both administrative/ management and operational functions. This plan should establish baselines for skills development, including the requirement that suppression staff promoted to supervisory roles (H40 and above) acquire a basic understanding of paramedic operations in order to manage EMS staff most effectively. The Fire Department also should encourage high-ranking employees to take advantage of other available City resources for administrative and management skills-building, such as the Workforce Development courses and the City's Leadership Development Program.

Promotional opportunities and timelines must also reflect the Fire Department's strategic goals. Currently, the Fire Department does not offer equal promotional opportunities for its two unique service functions (suppression and emergency medical services). Despite the significantly greater service volume that they support, emergency medical services employees have a relatively limited career ladder at the Fire Department.

Additionally, as shown below, 361 of the 1395 current total uniformed fire employees are approaching retirement age.

Number of SSFD Uniformed Employees over 50, as of October 2013

Age Group	Total Fire Department Uniformed Employees
50-54	218
55-59	108
60-64	27
65-69	6
75-79	2
Total	361

Source: Fire Department Data

The Fire Department should coordinate closely with the Department of Human Resources to ensure that the promotional test timeline meets the Department's needs for adequate supervision and staffing levels.

Succession Planning

Despite recommendations over the past ten years, made by both the Budget and Legislative Analyst and the Controller, the Fire Department has not prioritized strategic planning in its operations. As a result, this failure to plan effectively for retirements and succession leaves the Department in jeopardy of insufficient leadership and inadequate staffing levels. Currently, 21 of 47 command staff (or 45 percent) are over the age of 50.

The table below shows ages and years of service for uniformed fire employees.

Age Profile and Years of Service for Uniformed Department Positions

Employee Age	Years of Credited Service						Total
	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 and Above	
45 to 49	115	99	87	4	-	-	305
50 to 54	56	43	103	15	3	1	221
55 to 59	16	12	41	6	17	3	95
60 & Older	-	4	14	2	8	5	33
TOTAL	187	158	245	27	28	9	654

Source: SFERS Actuarial Report 2012

Without proper succession planning, the department must ultimately rely more heavily on overtime if vacated positions are not filled. In the past two fiscal years, the Board of Supervisors re-allocated approximately \$5.0 million per year in the Department's budget from permanent salaries to overtime salaries, mostly to backfill vacant positions due to retirements. As a result of the hard cap on overtime hours, which sets a maximum upper limit on annual overtime hours per employee at 1100 hours, the department often requires mandatory overtime of uniformed employees. These mandatory overtime requirements are unpopular with the workforce, due to potential risks (to safe operation of vehicles and machinery, to the quality patient care) and quality-of-life issues (like childcare needs).

In addition, failure to conduct comprehensive succession planning jeopardizes the Fire Department's ability to maintain demographic diversity across classifications. The Fire Department should incorporate these criteria into its analysis in order to ensure equal employment opportunities and department diversity in the future.

If the Department seeks to maintain not only a diverse workforce, but one in which promotional opportunities are shared equally by different demographic populations, it will need to perform more sophisticated analyses of retirement projections. The Department should develop a rolling five-year hiring plan that predicts staffing needs by using data on potential retirements and other separations and by incorporating formal succession planning into operations.

In May 2012, the Mayor made a public commitment to fund six additional academy classes over six years to close this vacancy gap pertaining to the uniformed personnel of the Fire Department. The Mayor's recommendation was adopted by the Board of Supervisors in the FY 2013-14 and 2014-15 budgets. Therefore, from FY 2013-14 through FY 2014-15, the first three of the six total academy classes should be completed and the number of vacancies should be reduced by a net of 90 positions after factoring out the Department's expected retirements and other separations. The Mayor will need to maintain the commitment to fund six academies through FY

2017-18 in order to meet the Fire Department's staffing needs in order to replace uniformed employees who retire.

Overtime Use

The Fire Department's overtime for uniformed personnel has increased by \$19.1 million or 90.5 percent, from \$21.0 million in FY 2009-10 to \$40.1 million in FY 2012-13. The Fire Department has used overtime rather than fill vacant positions because overtime can be less costly than permanent positions when paid time off and fringe benefits are factored into the position costs. The Fire Department also uses overtime to backfill positions that are absent due to sick leave, vacation and other absences.

Annual Fire Department Overtime Expenditures from FY 2009-10 to FY 2012-13

DIVISION	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Four Year Increase/ (Decrease)	Percent
Operations	\$18,787,462	\$25,674,869	\$30,525,046	\$37,478,628	\$18,691,166	99.5%
Fire Prevention	685,625	837,097	809,439	999,060	313,435	45.7%
Fire Investigation	100,665	97,965	120,126	79,541	(21,124)	(21.0%)
Communications	272,408	223,698	288,630	291,620	19,212	7.1%
Administration & Support	698,877	594,899	593,901	773,166	74,289	10.6%
Other ¹	503,244	307,129	309,531	474,294	(28,950)	(5.8%)
TOTAL	\$21,048,281	\$27,735,657	\$32,646,673	\$40,096,309	\$19,048,028	90.5%

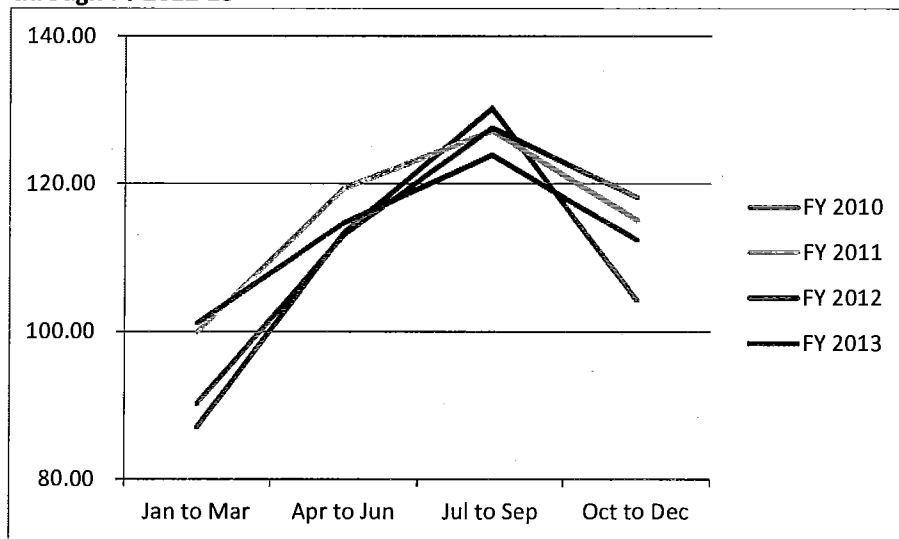
Source: Fire Department

The Department's annual budget understates the number of permanent staff and overstates the number of overtime staff required to meet minimum daily staffing levels. Based on actual minimum daily staffing levels over the past two years, the Budget and Legislative Analyst estimates that the Department should increase the number of budgeted uniformed full time equivalent (FTE) positions by 138, or 13.3 percent, from 1,038 FTEs in the FY 2013-14 budget to 1,176 FTEs, offset by reductions in overtime. Because permanent positions are more costly than overtime due to the costs of benefits and paid time off, increasing permanent salaries and reducing overtime in the annual budget to meet actual staffing levels would result in a net increase in the budget of 2.3 percent, or approximately \$5 million. However, the increase in budgeted permanent positions and the associated salary and benefit costs corrects for historical under-budgeting of permanent uniformed positions.

Increasing permanent positions and reducing overtime also provides for more predictable staffing levels, and reduces reliance on mandatory overtime and the Department's risks for increased workers compensation, disability, sick leave, safety and other costs associated with high overtime use. In addition, increasing the number of budgeted permanent positions increases access to public jobs, rather than concentrating overtime pay for those already hired.

Vacation usage is unevenly distributed over the course of the year with most vacation occurring in the summer months from July to September, as shown in the exhibit below.

Average Number of Uniformed Employees on Vacation by Time of Year, FY 2009-10 through FY 2012-13



Source: Fire Department Data

This uneven distribution of overtime makes it difficult to project staffing needs, and increases the probability that projections of year-end overtime expenditures will be inaccurate. The Department needs to work with the San Francisco Firefighters Union to ensure that uniformed staff vacation time is more evenly distributed over the course of the year, reducing the high use of overtime during the summer and other months of high vacation use.

Introduction

The Board of Supervisors directed the Budget and Legislative Analyst's Office to conduct a performance audit of the San Francisco Fire Department, through a motion (M13-084) approved on July 9, 2013.

Scope

The performance audit of the San Francisco Fire Department (Fire Department) evaluated the economy, efficiency and effectiveness of the City's recruitment, retention, and promotion of uniformed fire positions, and the Fire Department's overtime staffing. The performance audit scope included a review of the Fire Department's: (1) recruitment, testing, promotion and retention of new firefighters and paramedics over the past five years; and (2) use of overtime to meet fire suppression¹ staffing requirements.

Methodology

The performance audit was conducted in accordance with Government Auditing Standards, 2011 Revision, issued by the Comptroller General of the United States, U.S. Government Accountability Office. In accordance with these requirements and standard performance audit practices, we performed the following performance audit procedures:

- Conducted interviews with executive, management and other staff at the Fire Department and the Department of Human Resources.
- Interviewed representatives from employee organizations who represent Fire Department staff.
- Reviewed reports and studies regarding Fire Department staffing and policies.
- Reviewed federal regulations, San Francisco Administrative Code provisions, San Francisco Civil Service rules, policies, procedures, memoranda, and other guidelines governing the Fire Department.

¹ Fire suppression refers to the Department's firefighting operations, including staffing the fire trucks and engines assigned to the Department's fire stations.

- Completed a survey of select fire departments throughout the United States to compare testing, hiring and recruitment practices.
 - Conducted reviews of (a) staffing levels and demographics; (b) overtime payments; (c) job descriptions; (d) policies and procedures; (e) financial reports; and (h) other data pertinent to the audit objectives.
 - Submitted a draft report, with findings and recommendations, to the San Francisco Fire Department and the Department of Human Resources on November 7, 2013; and conducted an exit conference with the Executive Director of the Department of Human Resources and the Chief of the Fire Department on November 26 and December 3, 2013 respectively.
 - Submitted the final draft report, incorporating comments and information provided in the exit conference, to the Fire Department and the Department of Human Resources on December 19, 2013.
-

SFFD Operational Structure

After volunteer fire companies supported the City since 1850, the San Francisco Fire Department became a paid city service organization in 1866. It has supported the City through two major earthquakes in 1906 and 1989, and provides fire suppression and emergency medical services to residents, workers and visitors within the City of San Francisco.

The Fire Department's mission is to:

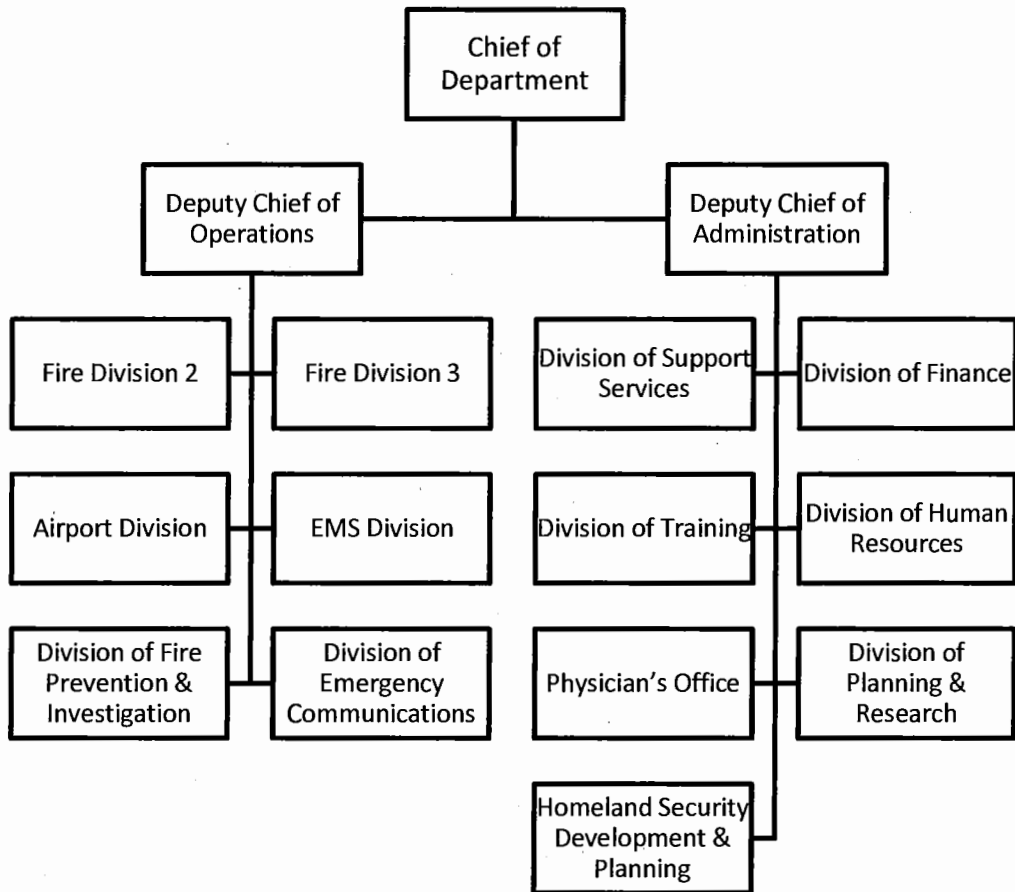
protect the lives and property of the people of San Francisco from fires, natural disasters, and hazardous materials incidents; to save lives by providing emergency medical services; to prevent fires through prevention and education programs; and to provide a work environment that values health, wellness and cultural diversity and is free of harassment and discrimination.

SFFD Organizational Structure

Although historically there has been frequent turnover in leadership, often coinciding with changes in City administration, the current Chief of the Department (Chief Joann Hayes-White) has been in office for nearly ten years.

The Department's current organizational structure is shown in the following chart.

Fire Department Organizational Chart, as of October 2013



As noted above, and as detailed below, the Fire Department has absorbed the City's Emergency Medical Services functions within its Operations. The impact of the merger of these functions will be discussed throughout this report.

Merger of Suppression and Emergency Medical Services

In 1997, following a study commissioned by the Department of Public Health (DPH), the City's Emergency Medical Services (EMS) functions relocated from DPH to the Fire Department. This move combined DPH's Advanced Life Support services with the Fire Department's Basic Life Support Services to create a fire-based EMS system.

Mirroring a nationwide trend, this merger sought to improve the response rate of EMS services while more effectively utilizing the resources of the Fire Department.

From 1997-2005, the Department initiated several strategies to improve the effectiveness of the merger:

Classification Changes:

- H1 (Fire Rescue Paramedic): This classification was created for the paramedics that transferred from DPH to the Fire Department. H1s were placed on 24-hour shifts on ambulances, which were moved into fire stations (having been dynamically deployed² before the merger).
- H3 (Firefighter/Paramedic): As the merger proceeded, the Fire Department conducted paramedic trainings for H2 firefighters. H2s who completed training successfully were promoted to the H3 firefighter-paramedic class. These H3s were placed either on ambulances or Advanced Life Support (ALS) engines.

Cross-training:

- In addition to cross-training H2 Firefighters to become Paramedics, the Department soon began cross-training the H1 Paramedics who had transferred from DPH. These cross-trained H1s were promoted to H3. Approximately 150 former DPH paramedics became H3 Firefighter/Paramedics.
- Between 2000 and 2002, the Department hired Firefighter/Paramedics from outside the Department, known as "lateral hires." The Department has not hired laterals since 2002.

Reconfiguration and the H3 "Deep Class" Classification

In 2005, following several critical reports on the effectiveness of the merger (noting low morale, deteriorating response times, internal cultural clashes, and high attrition), the Fire Commission took steps to address concerns by authorizing a reconfiguration of the Department. This included the reestablishment of "single function" Emergency Medical Technicians (EMTs) and paramedics and returned ambulances to dynamic deployment, technically based at Station 49 but deployed throughout the City.

As part of the reconfiguration, the Department amended the H3 classification to include three levels: H3 Level 1 for EMTs; H3 Level 2 for Paramedics; and H3 Level 3 for Firefighter/Paramedics. This "deep class" allows for advancement within a classification, typically occurring between Levels 1 and 2 through "bump ups" from the EMS Chief. To move up to H3 Level 3, however, employees must receive cross-training or hire in to the department "laterally" (from another Fire Department).

² "Dynamic deployment" is the Department's practice of scheduling ambulances for ten-hour shifts, based on the expected volume of calls for emergency medical services.

According to the Department of Human Resources³, the bundling of the EMT/Paramedic/Firefighter positions into the H3 deep class provides a seamless transition for the employee and operational flexibility for the SFFD as employees matriculate through the EMS education process. The H3 deep class also establishes a classification that traces a logical career path from entry as a transport EMT to a fully cross-trained firefighter/paramedic.

This reconfigured fire-based EMS system continues to operate as of October 2013.

Financial Resources

Receiving resources almost exclusively from the City's General Fund, the Fire Department has the fifth largest City departmental budget for FY 2013-2014. The table below details projected expenditures at the Fire Department for fiscal years 2013-14 and 2014-15.

SFFD Budgeted Expenditures for FY 2013-14 and 2014-15

Expenditures/Uses	FY 2013-2014	FY 2014-2015
Administration & Support Services	32,757,108	33,533,276
Custody	1,621,500	2,555,500
Fire General	1,455,251	1,358,000
Fire Suppression	280,824,516	290,638,070
Prevention & Investigation	12,618,199	13,171,984
Training	4,238,337	4,332,854
Subtotal	333,514,911	345,589,684
Work Orders	100,000	-
Total	333,614,911	345,589,684

Source: FY 2013-14 and FY 2014-15 Adopted Budgets

As shown in the following table, the Fire Department's percentage of the total annual City budget has remained fairly static, representing between 4.2 percent and 4.4 percent of the City's budget in the past seven years.

³ DHR's Staff Report to Civil Service Commission, January 25, 2006

Fire Department Budget as a Percentage of Total City Budget, FY 08-09 through FY 14-15

	FIRE Budget	TOTAL City Budget	% of Total Budget
2008-09	277,713,069	6,531,467,931	4.3%
2009-10	282,494,416	6,586,787,453	4.3%
2010-11	289,107,737	6,562,658,343	4.4%
2011-12	301,252,668	6,833,766,939	4.4%
2012-13	326,072,813	7,354,311,247	4.4%
2013-14	333,614,911	7,908,801,656	4.2%
2014-15	345,589,684	7,931,751,102	4.4%

Source: Adopted Budgets, FY 2008-09 through FY 2014-15

Legal Mandates Impacting Fire Department Operations

For the past few decades, the courts and electorate have taken actions that have had lasting impact on the operational management of the Fire Department.

1988 Consent Decree

In 1988, a federal judge ordered a consent decree that required the San Francisco Fire Department to achieve a workforce of 40 percent minorities and 10 percent women (of whom, half were to be minorities). A consent decree is a final, binding agreement that codifies the terms of a voluntary agreement to bring an end to civil litigation. These agreements became common during the 1960s and 1970s in struggles for fair hiring and promotion throughout the United States. In San Francisco, the consent decree resulted from a lawsuit filed by the NAACP and a local community organization to address the lack of diversity in the Fire Department.

Specifically, the agreement stated:

in order to eradicate the present effects of past employment practices with respect to minorities and women, the City shall adopt and seek to achieve as a long-term goal the recruitment, appointment, retention and promotion of qualified minorities and women in sufficient numbers so as to increase substantially the minority and female composition of the San Francisco Fire Department, so that it more nearly reflects the racial, ethnic and sexual composition of the relevant labor force of the City and County of San Francisco." To ensure compliance with this mandate, the courts appointed a federal monitor to oversee implementation.⁴

⁴ Consent Decree, Section III Hiring Goals, 6, Issued by the US District Court on May 20, 1988

Stipulated Order

In 1997, nearly ten years following the consent decree, the Court issued a stipulated order that terminated the consent decree and set ongoing standards for the San Francisco Fire Department, which the Judge considered “necessary to fully effectuate the goals and policies underlying the Consent Decree, to eliminate vestiges of past discrimination, and to continue the process of diversifying the Department.”

Like the consent decree, the stipulated order⁵ called upon the City to:

use best efforts to attain a workforce that reflects the percentages of racial minorities in San Francisco as established by the most recent US Census civilian labor force data. The City recognizes that providing linguistically appropriate services enhances public safety, and will continue to seek input from community-based organizations familiar with the delivery of bilingual services.

Importantly, the stipulated order defines “best efforts” such that “the City shall provide appropriate and necessary funding, staffing and other resources to carry out its obligations ... [which] may also include race and gender-conscious selection and hiring criteria.”

Proposition F

In 2006, the City enacted an ordinance, approved by the voters, that added a section to the San Francisco Administrative Code requiring the Fire Department to “maintain and operate firehouses and emergency apparatus at the same location and to the same extent as existed on January 1, 2004” and requiring all fire stations to remain open 24 hours a day, seven days a week. This legislation permanently locked into place the City’s 2004 emergency response system.

As such, the City has 43 fire stations, divided into 2 divisions, as well as 3 stations located at the San Francisco International Airport, requiring a daily suppression staffing level of 297 employees. In addition, the Department operates Station 49, which deploys ambulances throughout the City.

Calls for Service

Since at least 2005, the Department has received over 100,000 calls for service per year. As shown in the following table, over 75 percent of the calls received have been for emergency medical services, with the remaining calls for fire suppression services.

⁵ Stipulated Order, Section I.B.Long Term Goals, 2. Goals of Future Workforce, Issued by US District Court on November 26, 1997,

Calls for Emergency Medical Services and Fire Suppression, 2005-2013

Year	Calls for Service				
	Total	EMS	% EMS	Fire	% Fire
2005-2006	100,402	76,678	76.4%	23,724	23.6%
2006-2007	102,721	75,795	73.8%	26,926	26.2%
2007-2008	107,138	79,605	74.3%	27,533	25.7%
2008-2009	106,066	79,719	75.2%	26,347	24.8%
2009-2010	108,076	81,449	75.4%	26,627	24.6%
2010-2011	116,981	89,231	76.3%	27,750	23.7%
2011-2012	120,396	92,068	76.5%	28,382	23.6%
2012-2013	120,536	92,255	76.5%	28,281	23.5%

Source: Fire Department Annual Reports, FY 2005-06 through FY 2012-13

SFFD Staffing Levels

The table below shows a comparison of authorized versus funded positions at SFFD.

SFFD Staffing, Actual versus Authorized, 2013

Classification	Actual	Authorized	Difference	% Difference
0140 – Chief of Department	1	1	-	0%
0150 - Deputy Chief	2	2	-	0%
H120 – Fireboat Pilot	5	3	(2)	-67%
H110 - Fireboat Engineer	4	3	(1)	-33%
H 53 - EMS Chief	1	1	-	0%
H 51 - Asst. Deputy Chief	5	5	-	0%
H 50 - Assistant Chief	6	7	1	14%
H 43 – EMS Section Chief	1	3	2	67%
H 40 - Battalion Chief	29	39	10	26%
H 39 – Captain, Training	3	4	1	25%
H 33 – Captain, EMS	27	32	5	16%
H 32 – Captain, Fire Prevention	6	6	-	0%
H 30 - Captain	68	80	12	15%
H 29 - Special Services Officer	1		(1)	
H 28 – Lieutenant, Training	3	7	4	57%
H 22 - Lieutenant, Fire Prevention	9	8	(1)	-13%
H 20 – Lieutenant	183	206	23	11%
H 18 – Community Services Coordinator	1		(1)	
H 16 – Technical Training Specialist	1		(1)	
H 10 – Incident Support Specialist	13	21	8	38%
H 6 – Investigator, Fire Prevention	6	11	5	45%
H 4 – Inspector, Fire Prevention	23	29	6	21%
H 3 – Firefighter/Paramedic	290	333	43	13%
H 2 - Firefighter	713	935	222	24%
H 1 - Fire Rescue Paramedic	4	12	8	67%
Total	1,405	1,748	343	20%

Source: Fire Department Data

SFFD Staff Demographics

SFFD Uniformed Employees

The 1988 consent decree required the City to make good faith efforts to achieve certain goals for hiring women and minorities. According to data provided by the Fire Department, these goals for employing a diverse workforce, as established by the 1988 consent decree, have largely been maintained.

As the table below shows, the percent of uniformed employees identified as minorities has increased from 48 percent to 52 percent of the total uniformed fire positions over the past six years. The consent decree required that the Department maintain at least 40 percent minorities in uniformed positions.

Annual Count and Percentage of Uniformed Employees by Race, FY 08-09 through FY 13-14

Race	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Caucasian	806	755	694	672	667	674
Percent of Total	52%	50%	49%	48%	48%	48%
Minorities						
African American	153	152	146	142	138	142
Percent of Total	10%	10%	10%	10%	10%	10%
Hispanic	233	229	225	224	221	217
Percent of Total	15%	15%	16%	16%	16%	16%
Asian Pacific	258	258	253	259	261	267
Percent of Total	17%	17%	18%	19%	19%	19%
Filipino	84	89	85	88	87	85
Percent of Total	5%	6%	6%	6%	6%	6%
Native American/Other	12	11	11	11	11	10
Percent of Total	1%	1%	1%	1%	1%	1%
Total Minorities	740	739	720	724	718	721
Percent of Total	48%	50%	51%	52%	52%	52%
Total	1,546	1,494	1,414	1,396	1,385	1,395

Source: Fire Department Data

Similarly, the Department has maintained, and even exceeded, the staffing goals for women (10 percent) established by the consent decree, as shown in the following table.

**Annual Count and Percentage of Uniformed Employees by Gender, FY 08-09
through FY 13-14**

Year	Women	% Women	Men	% Men	Total
2008-09	227	15%	1319	85%	1546
2009-10	224	15%	1270	85%	1494
2010-11	222	16%	1192	84%	1414
2011-12	223	16%	1173	84%	1396
2012-13	223	16%	1162	84%	1385
2013-14	223	16%	1172	84%	1395

Source: Fire Department Data

SFFD Workforce by Race and Rank

The table below details demographic representation within the various SFFD ranks, as of October 2013, by count.

2013 SFFD Uniformed Employees, by Rank and Race

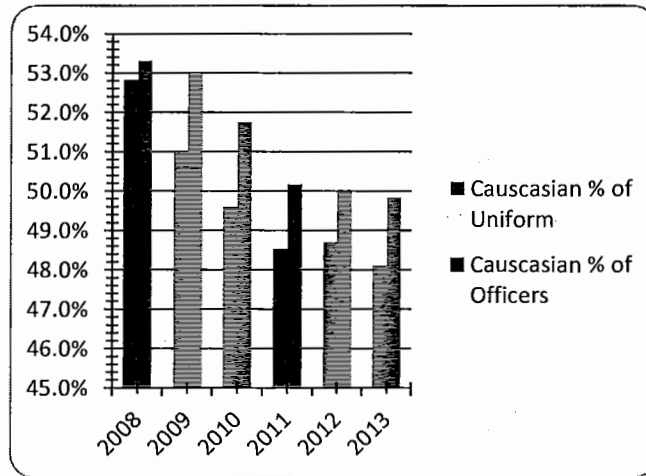
RANK	Caucasian	African-American	Hispanic	Asian, Pacific Islander, Filipino	Native American/Other	TOTAL
Chief Officer	10	0	2	1	0	13
Battalion Chief	6	12	5	3	1	27
Captain	51	12	10	18	0	91
Lieutenant	93	22	31	43	1	190
Firefighter Paramedic	102	7	13	12	1	135
Paramedic	57	10	14	19	1	101
EMT	31	4	8	24	2	69
Firefighter/ Chief's Operator	301	73	129	220	4	727
Investigator/Inspector	14	2	5	12	0	33
Other	9	0	0	0	0	9
TOTAL	674	144	217	352	10	1,395

Source: Fire Department Data

While the composition of the SFFD uniformed workforce is generally representative of the San Francisco population, with the exception of Asian, Pacific Islander and Filipino uniformed staff, the composition of the uniformed officer classifications (lieutenant,

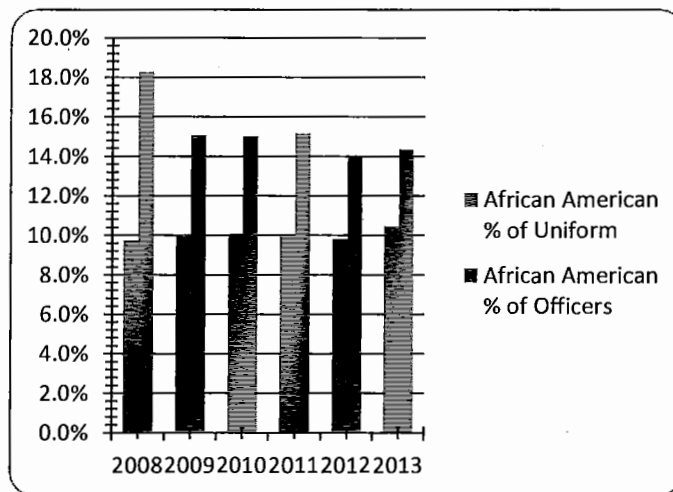
captain, battalion chief, and chief officer) is not as well distributed, as shown in the charts⁶ below.

Caucasian Representation in Uniformed Officer Classifications Compared to Representation in All Uniformed Classifications



Source: Fire Department Data

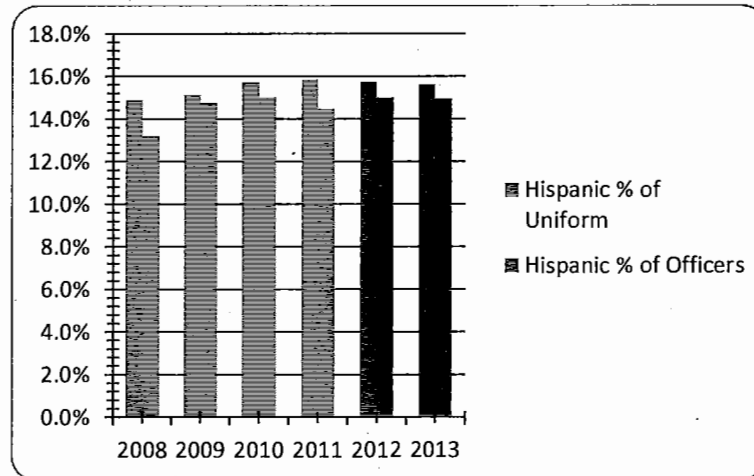
African-American Representation in Uniformed Officer Classifications Compared to Representation in All Uniformed Classifications



Source: Fire Department Data

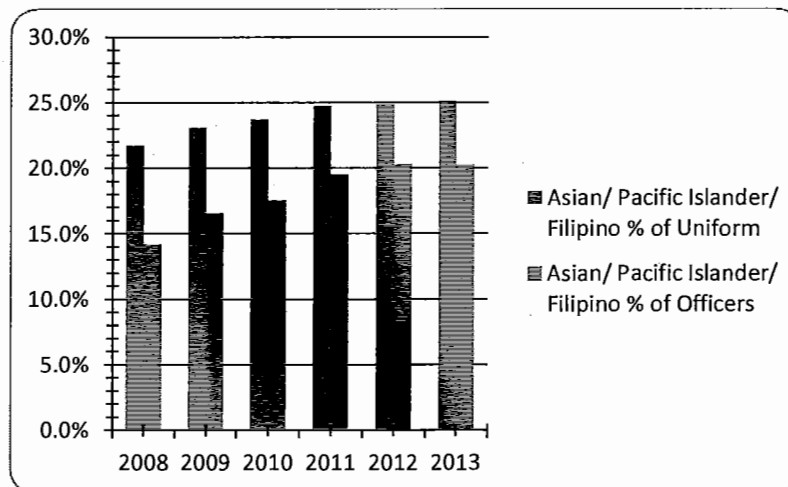
⁶ Because there are only 10 Native American uniformed employees at SFFD (or less than 1 percent of the uniformed workforce), we have not included a chart here.

Hispanic Representation in Uniformed Officer Classifications Compared to Representation in All Uniformed Classifications



Source: Fire Department Data

Asian, Pacific Islander and Filipino Representation in Uniformed Officer Classifications Compared to Representation in All Uniformed Classifications



Source: Fire Department Data

SFFD Workforce by Gender and Rank

In 2013, women make up 15.8 percent of the SFFD uniformed classifications, as shown in the table below.

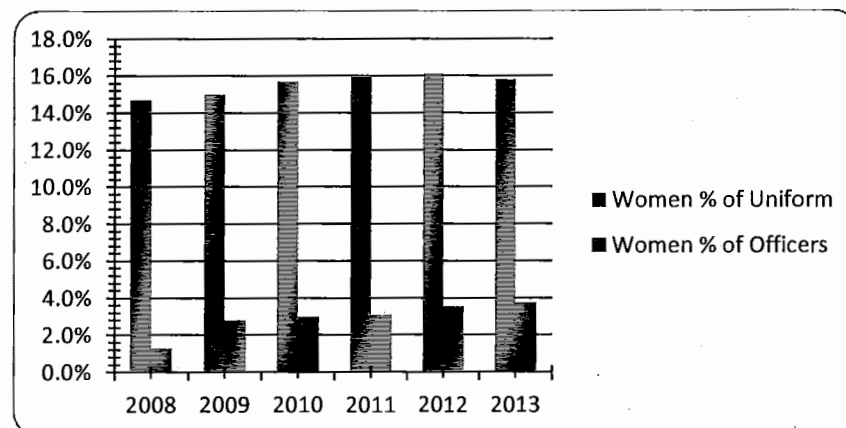
2013 SFFD Uniformed Employees, by Rank and Gender

RANK	Women	Men	TOTAL
Chief Officer	1	12	13
Battalion Chief	5	22	27
Captain	12	79	91
Lieutenant	34	156	190
Firefighter Paramedic	18	117	135
Paramedic	20	78	98
EMT	14	55	69
Firefighter/Chief's Operator	99	628	727
Investigator/Inspector	16	17	33
Other	1	8	9
TOTAL	220	1,172	1,392

Source: Fire Department Data

While women have made up between 14.7 percent and 16.1 percent of the uniformed classifications from 2008 through 2013, they make up only 3.7 percent of uniformed officer classifications in 2013, although their presence in the uniformed officer classifications has increased each year from 1.3 percent in 2008 to 3.7 percent in 2013, as shown in the following chart.

Women's Representation in Uniformed Officer Classifications Compared to Representation in All Uniformed Classification



Source: Fire Department Data

SFFD Academy Demographics

To see how department demographics may be impacted by upcoming academy classes, the following tables show the racial and gender composition of the three most recent firefighter academies.

FY 13-14 SFFD Firefighter Academies, Demographic Detail by Total Count

Race	113th Academy			114th Academy			115th Academy		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Caucasian	18	4	22	27	1	28	20	0	20
African American	0	2	2	6	1	7	6	0	6
Hispanic	7	0	7	5	3	8	8	2	10
Asian Pacific Islander	5	1	6	6	0	6	3	2	5
Filipino	2	0	2	0	0	0	3	1	4
Native American	0	0	0	0	0	0	2	0	2
Total	32	7	39	44	5	49	42	5	47

Source: Fire Department Data

FY 13-14 SFFD Firefighter Academies, Demographic Detail by Percentage

Race	% 113 th Academy	% 114 th Academy	% 115 th Academy
Caucasian	56%	57%	43%
African American	5%	14%	13%
Hispanic	18%	16%	21%
Asian Pacific Islander	15%	12%	11%
Filipino	5%	0%	9%
Native American	0%	0%	4%
Men	82%	90%	89%
Women	18%	10%	11%

Source: Fire Department Data

1. Organization and Management

- From 1988 through 2009, the Fire Services Examinations Unit at the Fire Department managed the development and administration of entry-level and promotional tests for candidates of the Fire Department. In 2009, in an effort to recentralize all public safety test administration to create and maintain consistent standards and processes, the Fire Services Examination Unit was transferred to the Department of Human Resources (DHR).
- Despite the transfer of function from the Fire Department to DHR, there remains ongoing uncertainty between the departments with regard to responsibility for recruitment.
- Because uniformed positions in the Fire Department are well-paid public jobs, access to these jobs through recruitment, testing, entry-level hiring and promotion needs to be well understood, especially given pending lawsuits about the exam process. The Fire Department should formally document policy decisions—particularly those regarding hiring and promotion practices.
- The Fire Commission meeting minutes, which should provide an historical account of policy decisions, fail to capture meeting discussions completely. In addition, the Department should adopt a practice of documenting policy decisions and ensuring the proper documentation of public discussions that transpire during Fire Commission meetings.
- Despite the higher volume of calls for emergency medical services, EMS staffing levels are significantly lower than those for suppression. As the City has demonstrated its preference to maintain the Exclusive Operating Area for ambulance services, the Department must ensure that it maintains sufficient staffing to meet EOA response requirements. Currently, it is below that threshold.
- Similarly, in order to take advantage of additional reimbursement funding opportunity for ambulance transports, the Department must have sufficient staff in place to produce and submit reports. The EMS function provides unique opportunities for the Department to generate revenue, and as such, the Department should be particularly responsive to resource needs.

History of Fire Department Employment Testing

While the consent decree was in effect (1988 through 1997), the development and administration of testing for fire department positions became the purview of a special unit—the Fire Services Examination Unit—created within the San Francisco Fire Department. In accordance with the terms of the consent decree, a federal monitor maintained oversight of the unit.

Fire Services Examination Unit

Housed within the Fire Department Division of Human Resources, the Fire Services Examination Unit held primary responsibility for:

the development and administration of valid, job-related hiring procedures for uniformed ranks and civilian positions in the Department. For the selection process of the uniformed ranks, staff works with test consultants to develop job-related tests consistent with legal and professional standards.¹

With five staff members, the Fire Services Examination Unit developed and administered the written tests for entry and promotion of uniformed Fire Department employees. In addition, up until 2002, the unit oversaw the direct testing of physical agility for firefighter candidates seeking admission to the Department. In May 2002, by resolution of the Fire Commission, the Department adopted the Candidate Physical Ability Test (CPAT) that was developed by the International Association of Firefighters. In its Resolution 2002-02, the Fire Commission “authorized the Chief of the Department to create, develop and implement an extensive mentoring and pre-training program as part of the CPAT.”

Although the legal mandate extended only through 1997, the Fire Services Examination Unit bore primary responsibility for all testing of entry and promotional candidates at the Fire Department for nearly twenty years.

Recentralization of Examinations Functions

According to Fire Commission meeting minutes, the Fire Services Examinations Unit moved to the Department of Human Resources (DHR) on February 23, 2009. Police examinations functions had already been relocated to DHR, and:

the Recruitment and Assessment Unit within the Department of Human Resources reorganized so as to merge the Fire and Police Examination Teams into one Public Safety Examination Team [in order to yield] a number of benefits:

¹ SFFD Annual Report 2001-2002

- Greater interoperability and reliability; cross-trained analysts that can be assigned to large projects and serve as “back up” to one another in the event of emergencies
- Efficient sharing of resources, including audiovisual equipment, examination templates and protocols
- More variety in analyst assignments, enhancing individual career development.²

In its Annual Report dated August 30, 2011, DHR notes that “the merger of these teams has introduced a certain degree of ‘hybrid vigor’ and energy into the public safety testing program, but, at the same time, has highlighted the need to standardize procedures and practices for consistency purposes.”

Lack of Clarity Regarding Responsibility for Recruitment

Despite the proclaimed success of the centralization of examinations functions, there remains ongoing uncertainty between the Fire Department and the Department of Human Resources regarding responsibility for recruitment.

In interviews, employees from each department charged the other with responsibility for recruitment. In fact, and as discussed in detail in Section 2, currently no City department actively performs or participates in any recruitment activities for uniformed Fire Department employees.

Recruitment responsibilities for the Fire Department must be defined to ensure proper accountability. Failure to do so has allowed the function to disappear, which threatens the ability of the City to recruit a diverse workforce and provide equal access to these highly coveted public service jobs.

The Fire Department’s Lack of Documentation on Selection Policies and Decisions

No Written Documentation of Policies

As discussed in detail in Section 3 of this report, policy decisions regarding the Fire Department’s selection process have not been documented in writing. Questions to key senior staff members regarding basic organizational

² November 2010 Report on the Certification of Eligibles from DHR to the Civil Service Commission.

functions—particularly with regard to the selection process for the H2 class — were directed to the Chief. While the Chief should retain ultimate decision-making authority, particularly with regard to employee appointments, the process by which those decisions are made must be transparent and defined.

Given the longstanding differences in understanding between the Department and employee groups about the impact of Department policies, evidenced by a series of lawsuits by individual employees and employee organizations against the Department, the Department needs to assure that policies are well documented. In general, the Department should take steps to assure that policies, performance and goals for selecting new employees are documented, generally accessible, and understood by Department staff and potential recruits. A review of the Department's Annual Reports provides an example of how much less transparent the Fire Department has become over time. The 2001-2002 Annual Report offers a detailed, 25-page report that cites performance across specific measures within each division, whereas the 2009-2010 Annual Report provides a 10-page cursory summary of the Fire Department budget, calls for services, and command structure.

Insufficient Record of Commission Meetings

Although meeting agendas and minutes are posted on the Fire Department website, and most Commission meetings are open to the public, there are no complete records or transcripts of Fire Commission meetings. Minutes from the meetings reflect summaries of discussions, which fail to document details.

An example of the deficiency of Fire Commission meeting minutes can be found in the October 9, 2008 record, which states:

“Chief Hayes-White opened the floor to questions. Discussion ensued regarding the H-2 firefighter application and testing process. At 8:30pm the Commission adjourned for a 10-minute break.”

Surely, a controversial topic such as the H2 application and testing process in 2008 generated significant discussion not reflected above. Although the Fire Commission has recently prepared more thorough minutes of meeting discussions, to ensure the availability of this information in perpetuity, the Fire Commission should create and archive audio recordings of all meetings, posted for public use on the Fire Commission website.

Additionally, and in keeping with the practice of most other City Commissions, the Fire Commission should consider relocating its meetings to City Hall, where the public can participate and where SFGOV TV can videotape the discussions to ensure a complete, archived record.

Resources Not Properly Aligned with Priorities and Needs

Because little information regarding policy decisions has been made public, it is difficult to discern how the Department makes determinations regarding resource allocations. As discussed throughout this report, the Department currently operates two functions: emergency medical services and fire suppression. The table below shows both authorized and actual staffing levels by service function for FY 2012-13.

Table 1-1
Comparison of Staffing Levels for EMS and Suppression, 2013

Classifications H51 and below	Actual Employee Count, 2013	% of Total	Authorized FTE, 2013	% of Total
EMS	323	23.2%	381	21.9%
Suppression	1070	76.8%	1358	78.1%
Total	1393		1739	

Source: Fire Department Data

Without accounting for equipment and vehicle costs, significantly greater resources have been allocated to fire suppression staffing than emergency medical services staffing.

However, as noted in the Introduction to this report, this imbalance directly contrasts to the difference in call volume for the respective services. The table below shows the annual total service calls by function since 2005-2006.

Table 1-2
Comparison of Calls for Service by Function, 2005-06 to 2012-2013

Year	Calls for Service				
	Total	EMS	% EMS	Fire	% Fire
2005-2006	100,402	76,678	76.4%	23,724	23.6%
2006-2007	102,721	75,795	73.8%	26,926	26.2%
2007-2008	107,138	79,605	74.3%	27,533	25.7%
2008-2009	106,066	79,719	75.2%	26,347	24.8%
2009-2010	108,076	81,449	75.4%	26,627	24.6%
2010-2011	116,981	89,231	76.3%	27,750	23.7%
2011-2012	120,396	92,068	76.5%	28,328	23.6%
2012-2013	120,536	92,255	76.5%	28,281	23.5%

Source: Fire Department Annual Reports

Notably, the percentage of staff by service function is inversely proportional to the call volume by service function.

The Fire Department defends these staffing levels by contending that many of the medical calls receive a “blended EMS and suppression response,” but the response provided does not change the nature of the incident. Sending suppression staff in response to EMS calls may not be the most efficient use of resources. In fact, according to Fire Department data, during each of the past six fiscal years, there have been a significantly higher number of Fire apparatus responses than the number of calls for service, as shown in the table below.

Table 1-3
Calls for Service versus Responses, FY 07-08 to FY 12-13

Fiscal Year	Total Calls for Service	Total Fire Department Responses
2007-08	107,138	243,156
2008-09	106,066	242,610
2009-10	108,076	241,820
2010-11	116,981	262,681
2011-12	120,396	268,988
2012-13	120,536	266,918

Source: Fire Department Incidents and Responses Data

The primary risk of inadequate staffing in emergency medical services is patient care. When there is not a paramedic available to respond to an emergency medical call, the 911 dispatcher logs that call for service as “medic-to-follow”—meaning the caller must wait for the next available paramedic to be dispatched. The table below shows the number of “medic-to-follow” calls since 2008. The total for 2013 represents the number of “medic-to-follow” calls as of October 31, 2013.

Table 1-4
Medic-to-Follow Calls, 2008 to 2013

Year	Medic-to-Follow Calls
2008	504
2009	1,057
2010	2,802
2011	3,274
2012	2,020
2013	2,475

Source: Fire Department Data

As shown above, the number of medic-to-follow calls has significantly increased since 2008.

Critical Revenue Sources Potentially Jeopardized by Insufficient Resource Allocation

Exclusive Operating Area for Ambulances

“To develop system-wide coordination and predictable response initiated from emergency calls received through a central dispatch facility,” the State of California Emergency Medical Services Authority established “exclusive operating areas” for ambulance services. Created in 1981, this designation requires the development of a local plan to restrict operations to one or more emergency ambulance services within the EMS area. From 1981 to 2008, first under the Department of Public Health and then later the Fire Department, San Francisco retained an Exclusive Operating Area (EOA) to provide emergency ambulance services—effectively shutting out competition from private ambulance companies. However, in 2008, the State EMS Authority determined that there was no longer a basis for exclusivity (restriction of trade) for the San Francisco ambulance zone for emergency ambulance calls.

Because transporting patients via ambulance provides an important source of revenue, exclusive rights to the market offer significant value to the City. As such, the City determined in 2010 that it would reapply for the EOA designation, which it successfully secured.

To maintain the EOA designation, the designated EOA agency must respond to 80 percent of the emergency calls for ambulance services. Currently, the San Francisco Fire Department is not achieving that response level, covering instead approximately 72 percent of the market.

Table 1 -5
Fire Department versus Private Ambulance Dispatches, 2008-2013

YEAR	Percent Fire Department Dispatches	Percent Private Dispatches
2008	95%	5%
2009	86%	14%
2010	76%	24%
2011	71%	29%
2012	68%	32%
2013	72%	28%

Source: Fire Department Data

According to staff, this is a direct result of insufficient staffing and resources for emergency medical services. In order to ensure that the City retains this revenue source through the EOA designation, the Department must immediately and adequately address staffing and vehicle fleet needs in the EMS Division.

Federal Funding for Ground Emergency Ambulance Transportation (GEMT)

Through California State Assembly Bill 678, San Francisco has another opportunity to generate revenue by supplementing the Medi-Cal reimbursements that it receives for providing patient transport. Medi-Cal currently reimburses providers approximately \$150 per transport. The average cost of ambulance transport in the state is \$589. The GEMT reimbursement can total 50% of allowable certified costs, and as such, it provides an important opportunity for the City to capture substantially more federal funding— currently estimated at \$2-3 million, including expected retroactive payments back to 2010.

In order to receive the reimbursements, the Department must be able to provide the requisite reports and documentation to the State. Currently, the Department's ability to perform this administrative function is limited by inadequate staffing in the EMS division. The Department should take immediate steps to evaluate staffing levels to include a focus on ensuring the delivery of information for GEMT reimbursement.

Conclusions

Because uniformed positions in the Fire Department are well-paid public jobs, access to these jobs through recruitment, testing, entry-level hiring and promotion needs to be well understood. In recent years, the Department has made important policy decisions regarding selection that have not been shared publicly. In order to generate greater public trust, the Department must document policies and processes, and provide more detailed public information regarding performance measures and planning objectives.

The Fire Department should also ensure a sufficient allocation of resources to support all Department functions. With the opportunity to generate revenue through its emergency medical services functions, the Department must allocate resources properly to ensure the capacity to meet EMS goals and provide the highest quality of patient care by ensuring response times.

Recommendations

The Chief of the Fire Department should:

- 1.1 Ensure that all major policy decisions made by the Department—particularly with regard to hiring and selection—are documented in writing.
- 1.2 Ensure that resources are sufficiently allocated between the two service functions, in order to protect critical revenue sources, such as those available through the EOA and GEMT.
- 1.3 Ensure that recruitment responsibilities have been sufficiently clarified between DHR and the Fire Department.

The Fire Commission should:

- 1.4 Ensure that all public meetings are recorded and archived.
- 1.5 Consider relocating meetings to City Hall to encourage greater public participation.

Costs and Benefits

The implementation of recommendations 1.1 through 1.3 can be achieved without any additional cost to the City. The recording and relocation of Fire Commission meetings would require a minimal cost, but these costs would likely be balanced by savings found in the reduction of lawsuits against the City, as greater transparency would foster greater trust in the Department.

By allocating staff and resource properly between EMS and suppression, the Department can ensure the generation (or reimbursement) of revenue. This opportunity to collect revenue is critical for a department that otherwise relies almost entirely on the General Fund. Implementing these recommendations would result in approximately \$2-3 million from GEMT reimbursements, as well as the ongoing control of the Exclusive Operating Area.

2. Recruitment and Outreach

- City of San Francisco and Fire Department policies indicate the Department seeks to recruit a workforce that is highly qualified and diverse. Since the termination of the consent decree in 1997, the Department has reiterated its commitment to eradicate vestiges of discrimination and to employ a diverse workforce that reflects the community.
- The Fire Department has not had dedicated recruitment staff since FY 2003, following the elimination of its Equal Employment Opportunity (EEO)/Recruitment Unit due to budget reductions. When the Fire Services Exam Unit transferred from the Fire Department to the Department of Human Resources (DHR) in 2009, the transfer of recruitment responsibilities was not specifically defined.
- A survey of other fire departments indicates that the recruitment function typically resides at the Fire Department (rather than Human Resources). The City's other public safety departments—Police and Sheriff— manage their own recruitment activities.
- The Fire Department relies on employee (or affinity) groups to mentor, recruit and conduct outreach activities, including outreach activities to minority communities and women. The Fire Department has not developed a plan to coordinate, track, measure and report on the outcomes of these activities. To ensure that the Fire Department meets its hiring goals, it should develop a recruitment and outreach plan informed by City policy, and actively monitor and report on achievement of the plan's goals and objectives.

City Policy Seeks a Diverse Fire Department Workforce

To produce a pool of qualified candidates, public safety departments typically engage in active recruitment and outreach, often directed by strategic planning goals. In San Francisco, during the consent decree, the Department had a robust targeted recruitment strategy in place that sought to identify candidates, solicit interest in the entry-level firefighter job, and attract a pool of applicants reflecting the City's demographic diversity. From the 1988 termination of the consent decree to the present, various city policies have reiterated a commitment to maintaining a qualified and diverse Fire Department workforce, as detailed below:

- The Fire Commission in its *Statement of Purpose* states that it will “actively encourage and support recruitment and education in the communities to bring highly qualified applicants to the Department who truly reflect the city’s rich diversity.”
- The Fire Department’s *Values Statement* states that the Department values a diverse workforce that reflects the community it serves.
- In the Stipulated Order that ended the consent decree, San Francisco committed to eradicate past vestiges of discrimination and to the extent allowed by law to achieve a workforce that reflects San Francisco racial and ethnic composition as established by the most recent U.S. Census civilian labor force data.

SFFD Currently Has No Recruitment/Outreach Strategy or Plan

SFFD does not have an ongoing recruitment and outreach strategy or plan that links recruitment, selection, promotion and retirement driven by its policy to maintain a skilled and diverse workforce or other departmental business needs. Section 5 of this report provides a discussion of deficiencies in and recommendations for improvements in succession planning in the Fire Department.

Responsibility for Recruitment¹ Not Clearly Delineated

Prior to FY 2003-04, the Fire Department had an Equal Employment Opportunity (EEO)/Recruitment unit whose staff performed functions in support of recruitment “to ensure that the Department had an adequate pool of qualified candidates.”² These functions included:

- Review and revision of past recruitment plans
- Development and implementation of new plans for the entry level exam process
- Coordination of volunteer outreach activities conducted by Department firefighters in the community.

¹ For the purposes of this audit, recruitment refers to the full range of outreach, candidate identification and solicitation efforts.

² Fire Department Annual Report FY 2006.

Recruitment also included formal outreach such as public service announcements on radio, mailings to community organizations, and recruitment activities focused mostly on the local community.³

The Fire Department has not had dedicated recruitment staff since it lost its EEO/Recruitment unit in 2004 due to budget cuts. Although the Department of Human Resources (DHR) absorbed the unit's positions, neither the Fire Department nor DHR have established whether any of the unit's recruitment and outreach activities were also transferred to DHR.

The Fire Services Exam Unit that was established as part of the consent decree transferred to DHR in 2009. There is no documentation describing the transfer of function and whether any responsibility for recruitment was expected to be transferred to DHR. DHR employed an analyst from 2006 through 2010 that helped various City departments with recruitment activities, including assisting the Fire Department in activities surrounding the 2009 H2 examination. This position was not dedicated exclusively to the Fire Department.

The Fire Department Relies on Employee Groups to Conduct Recruitment

Currently, DHR, in consultation with staff and collective bargaining units in the City's public safety departments (Police, Fire and Sheriff), writes and publishes job announcements and receives applications. The public safety departments conduct their own outreach, identify potential candidates and solicit interest.

The Fire Department relies almost exclusively on employee groups for outreach (mentoring, identification of potential candidates, test preparation, distribution of information on careers in firefighting, etc.). Four employee groups do most of the Department's recruitment, outreach and test preparation: Los Bomberos, the Black Firefighters Association, the Asian Firefighters Association, and United Fire Service Women. These employee groups are independent affinity organizations with no collective bargaining rights or responsibilities. Members use their own funds and offer these services as unpaid volunteers.

Because the Fire Department neither provides financial support nor attempts to coordinate efforts, these groups conduct their recruitment activities independently. As a result, the Department lacks a coherent recruitment/outreach plan with goals and performance measures aimed at

³ At that time, the City had a residency requirement, which was eliminated by changes in State law. While the City no longer has a residency requirement, local hire preferences have been codified for the construction trades. The Mayor's office also recently enacted a first-time homebuyer program for SF public safety employees (First Responders Down Payment Assistance Loan Program) to encourage local residency.

fulfilling the policy objectives regarding recruitment articulated by the Fire Commission's value statement, the Stipulated Order of 1997 or the Fire Department's Mission Statement.

The International Association of Firefighters,⁴ the International Association of Fire Chiefs and the International Association of Women⁵ in Fire and Emergency Services each offer specific recruitment strategies to increase or maintain diversity and the number of women in fire departments. Among the various recommendations is a common set of practices that all three national organizations advise adoption of, to the extent possible:

- Sustained personal contact with candidates
- Targeted Recruitment of the populations that departments seek to attract
- Recruitment at high schools and colleges, especially athletic departments
- Mentoring, pre-test training and preparatory programs

It is clear from the nature of this set of common best practice recommendations that these organizations envision recruitment and outreach as an ongoing activity. Given the time and resource commitment and complexity of these recommendations, their full implementation is not possible for most departments. The International Association of Firefighters Diversity Initiative acknowledges that few departments are capable of implementing all best practices and that these suggestions should "be used as a guide for improvement."

Recruitment Plan Should Include EMTs and Paramedics

The City's diverse workforce goals extend equally to the EMS function at the Fire Department, and as stated in the Fire Commission's Resolution 05-4, "maintaining the provision of EMS within the Department will provide a means of recruiting a workforce that is reflective of the population of San Francisco." Although the SF Paramedics Association (which is an employee group, not a bargaining unit) represents the interests of EMTs and paramedics, it does not currently focus on recruitment. The Department's recruitment strategy and plan should include EMT and paramedic recruiting. Formalization of the recruitment process for the EMS workforce reinforces the importance of clarifying the Department's policy with regard to selection of EMS employees into the fire academy, as discussed in Section 3 of this report.

⁴Achieving and Retaining a Diverse Fire Service Workforce, January 2006

⁵A National Report Card on Women in Firefighting, Hulett et. al. April 2008

High No-Show Rate at Entry-Level Firefighter Tests

The no-show rate for the last H2 exam in 2009 greatly increased from the prior exam in 2001, as shown in the table below.

Table 2-1
No-Show Rate at 2009 H2 Entry-Level Firefighter Examination

Race / Ethnicity	Percentage of Applicants who Applied But Did not Show for the Exam 2009	Percentage of Applicants who Applied But Did not Show for the Exam 2001
African American Women	65%	32%
African American Men	57%	30%
Native American Men	45%	36%
White Women	44%	27%
White Men	43%	27%
Hispanic Men	42%	30%
Asian Women	40%	22%
Native American Women	40%	21%
Asian Men	38%	25%
Filipino Men	37%	24%
Hispanic Women	35%	30%
Filipino Women	34%	58%
Average No-Show Rate	43%	30%

Source: San Francisco Department of Human Resources

The International Association of Firefighters reports that following up on expressed candidate interest (primarily by maintaining contact with candidates) is among the most effective recruitment practices. Given its commitment to a diverse workforce, the Fire Department should develop a plan to identify candidates—especially local candidates—and maintain contact with them to support their interest in working at the Fire Department. As noted above, funding constraints mean that the Department will likely rely on employee groups for this activity. Nonetheless, the Fire Department should, to the extent allowed by law, monitor this practice, especially if a continuous testing model for H2 firefighters is adopted, as planned, when the current H2 eligible list expires.

Managers in the Department of Human Resources expect that continuous testing for entry-level firefighters will increase the ethnic diversity of test takers and participation of women. Although this audit did not attempt to

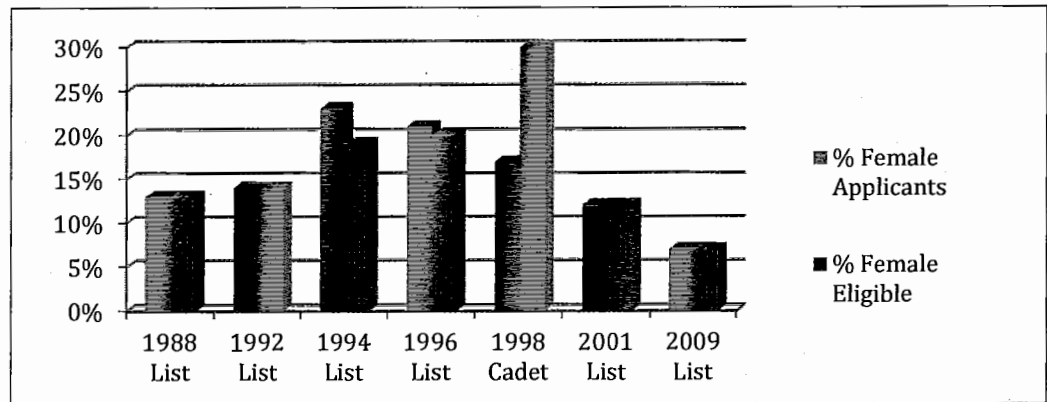
determine the cause of the high no-show rate, DHR should analyze the cause of no-shows, as recommended by the Department on the Status of Women, whether continuous testing is adopted for the next H2 examination or a traditional examination is administered in 2014.⁶

Decline in the Number of Female Applicants

The 1988 consent decree provided for “specific, definable and good faith efforts to be made by [the City] to achieve certain goals for employment of women and minorities.” The overall goal for hiring of women was 10 percent, which the City later agreed to maintain as a long-term goal in the 1997 Stipulated Order.

At 7 percent, women were the same percentage of passing candidates as they were of the total applicant pool for the last H2 examination. Women constituted approximately 18 percent, 10 percent and 11 percent of the last three fire academies respectively, or 11 percent of the last three academies in total. Thus, women have been selected for academies in greater numbers than their pass rate or their percentage on the current eligible list. At 16 percent, the Department has one of the highest percentages of women among uniformed staff of any fire department in the United States and significantly above the Stipulated Order or consent decree goal.

**Figure 2-1
Percentage of Female H2 Applications and Candidates, 1988 - 2009**



Source: Commission on the Status of Women

⁶ The Department on the Status of Women report “Gender Analysis of the Fire Department’s 2009 Test Results” suggests that the Fire Department analyze outreach efforts; discuss outreach efforts, with United Fire Service Women, and other community groups to create a recruitment plan for the next recruitment cycle; work with tradeswomen associations; develop stronger internship, apprenticeship, and mentorship programs to expose women and girls to firefighting and encourage them to become firefighters; and have women firefighters visible at school and community events, especially those focused on girls, to increase awareness of firefighting as a viable career opportunity for girls from an early age.

Nonetheless, significantly fewer women applied for the H2 position in 2009 than in previous years. In 1998, women accounted for 23 percent of applicants and 30 percent of eligible candidates. Despite the decline in the number of women taking the H2 entry-level firefighter examination, 85 percent of women passed the written test compared to 84 percent for men. Among almost every ethnic group, women passed at a higher rate than men.

**Table 2-2
Pass Rates by Race and Gender in the 2009 H2 Entry-Level Test**

Race / Ethnicity	Women	Men
Filipino	95%	77%
White	90%	88%
African American	81%	72%
Hispanic	70%	80%
Native American	89%	82%
Asian	80%	79%

Source: Commission on the Status of Women and Department of Human Resources

Although women constitute 16 percent of the Department’s uniformed workforce currently, this proportion will be difficult to maintain if the number of women taking the written examination continues to decline. As part of a recruitment program, DHR should monitor application and participation rates for women in the planned continuous testing model, and investigate the causes of “no-shows” by women, as suggested by the Commission on the Status of Women in order to identify and remove barriers to test-taking and entry for qualified women. DHR should report its findings and remedies to the Civil Service Commission and the Fire Department.

Continuous Testing Model for Entry-Level Firefighters

The Department of Human Resources has proposed and the Civil Service Commission has approved piloting a continuous testing model for the Fire Department’s entry-level H2 firefighter position to begin in early 2014 when the current H2 eligibility list expires. The test vendor will provide tests and test administration at a cost to the City of \$2,500 annually.

This annual membership fee is a substantial decrease from the cost of administering the last H2 examination, which staff estimated at \$145,000 excluding staff salaries. The new model required a change to Civil Service Rule 311.5.2 which prohibits charging applicants for tests. If the City adopts the continuous testing model, the costs of testing will essentially be transferred from the City to applicants.

Although the vendor reports that continuous testing has produced significant increases in the diversity of eligible applicants for its clients, it has produced limited data that does not include ethnic breakdown of the increased diversity or identify the departments where this occurred.

DHR management expects the testing model to increase the quality and diversity of the applicant pool in part by reducing the time lapse between first contact with a candidate and that candidate's testing, but does not expect a surge in applicants from outside San Francisco despite the four-year lapse since the last test because of certain application requirements, including that the physical skills test be taken in California. Candidates will submit applications to DHR online and be directed to the vendor's website to register. Candidates can take the test up to twice in a twelve month period at one of the vendor's 28 test sites located in eleven states around the country. Scores are valid for one year.

The Director of Human Resources has stated in a presentation of the continuous testing model to the Civil Service Commission that DHR would increase recruitment efforts in the event that the eligible list formed through continuous testing does not include a diverse pool of eligible candidates, but DHR did not provide details as to what the recruitment plan would contain.

The impact of the continuous testing model on the applicant pool will not be known until the new model is in place and begins to accept applicants. In the interim, the Fire Department should develop a recruiting strategy and plan that acknowledges the prospect that San Francisco residents, including residents in minority communities, will compete with a large number of applications from outside of San Francisco.

Entry-Level Recruitment at Other Fire Departments⁷

Auditors surveyed other fire departments to compare their approaches to entry-level recruitment and selection with those of the San Francisco Fire Department.⁸ Auditors sought information on the following measures:

⁷The International Association of Firefighter (IAFF) sponsored a study of best recruitment practices, "Achieving and Retaining A Diverse Fire Service Workforce", which found that, although the current representation of minorities and women is an important measure of successful recruiting, not all departments currently using targeted recruitment have achieved representation of minorities equal to their representation in the jurisdiction's general public. The IAFF report suggests that may reflect the length of time recruitment practices have been in place or changes in the number of women and minorities in a department not captured in a current demographic snapshot. Additionally, some departments reduced recruitment staff and expenditures during the recent recession.

⁸ Selection of Survey Jurisdictions: Auditors relied on national best practices literature to identify a targeted group of departments to survey. Minneapolis (MN) and Montgomery County (MD) were highlighted in Oslo and Wong's "Multicultural and Diversity Strategies for the Fire Service". Austin (TX) and Madison (WI) have been identified by the IAFF Diversity Initiatives as leaders in the field. San Jose and Sacramento were selected to provide a local CA

- recruitment staffing
- funding
- targeted recruitment of women and minorities
- recruitment goals
- use of sworn personnel on duty for recruiting
- timing of recruiting activities
- coordination with employee groups
- recruitment activities, and
- tracking and assessment methods.

Departments typically set aside small budgets for recruitment and outreach; in many departments, budgets have been reduced or eliminated recently as a result of spending reductions. At surveyed departments, recruitment and outreach activity primarily occurs in conjunction with upcoming examinations or fire academies, rather than continuously. Departments also typically use a combination of sworn personnel (who recruit on-duty either using overtime or comp time) and members of employee groups (who engage in recruitment, test preparation, and mentoring on their own time). All departments surveyed relied on employee groups to some extent for recruitment and outreach.

**Table 2-3
Recruitment and Outreach at Other Fire Departments⁹**

	Los Angeles, California	San Jose, California	Seattle, WA	Phoenix, Arizona	Minneapolis, Minnesota	Montgomery County, Maryland	Austin, Texas	Madison, Wisconsin
Sworn Officer In Charge of Recruitment		√		√	√		√	√
Targeted Recruitment of Women and Minorities	√		√	√	√	√	√	√
Sworn Personnel Assigned to Recruitment Outreach	√	√	√	√			√	√
Recruitment Budget	√	√	√	√	√	√	√	√

comparison, Seattle for another West Coast metropolitan comparison, and Phoenix has been widely hailed (including by SFFD leadership) for its successful EMS integration.

⁹ Auditors interviewed administrative staff at the Sacramento Fire Department primarily to compare the SFFD with another California fire department's approach to integration of fire suppression and Emergency Medical Services (EMS). Sacramento has not had dedicated recruitment staff since 2009 and reports that its limited recruiting and outreach does not target women and minorities.

Source: Budget and Legislative Analyst Survey Results

As seen in Table 2-3, Madison and Austin have robust recruitment and outreach programs that target women and minorities using a variety of methods that are assessed, evaluated, and led by a sworn officer in the Fire Department. The Austin Fire Department reports that it is in the process of developing contacts with every middle school, high school and college campus in the City, targeting in particular athletic departments. The department coordinates recruitment and outreach activities with its employee groups (e.g. African American Firefighters Association) to develop contacts in the city's minority communities and with area women. Although recruitment efforts are concentrated around particular hiring efforts, recruitment is an ongoing effort.¹⁰

Not only do other fire departments engage in their own recruitment activities, but other San Francisco public safety departments actively recruit, as well. The San Francisco Police Department uses officers on paid time to conduct recruitment activities directly tied to upcoming academies and guided by its six-year hiring plan. The Sheriff's Department similarly uses uniformed deputies for recruitment activities on paid time. To achieve the diversity goals clearly stated throughout City policies, and to support local hire objectives, the Fire Department should immediately begin actively coordinating with employee groups and develop an inclusive, long-term recruitment strategy.

Conclusion

Recruitment of a workforce in the Fire Department that reflects the City's diversity and maintenance of female representation in the Department at its current level of 15 percent are goals that will require an ongoing recruitment effort coordinated between DHR and the Fire Department. Since the transfer of some Fire Department HR functions to DHR in 2009 and the end of the Consent Decree's court monitoring, the Fire Department has not had a recruitment plan or strategy that would allow it to implement the policy directives of the Fire Commission or the City to maintain a diverse and well-qualified workforce.

¹⁰ DHR and Fire Department management report that California Proposition 209 which prohibits discrimination or preferential treatment on the basis of race or sex prohibits recruitment that targets minorities and women and that as a result they cannot engage in the targeted recruitment used in other jurisdictions.

Recommendations

The Chief of the Fire Department should:

- 2.1 Instruct appropriate staff to develop a continuous recruitment/outreach strategy and plan with measurable goals and objectives, plan monitoring and reporting and a timeframe that includes coordination with employee groups, no later than June 30, 2014.

The Director of Human Resources should:

- 2.2 Prepare and present to the Fire Chief, for presentation to the Fire Commission, monthly updates for the continuous testing pilot program and, at the end of the continuous testing pilot program, a summary analysis of the pilot that contains data on the number of test registrations, rate of no-shows, and pass rates broken out by race/ethnicity, gender and residence.¹¹

Costs and Benefits

While there is a cost to the City for department staff to actively recruit candidates for entry-level uniformed positions in the Fire Department, the Fire Department should evaluate alternatives, such as the processes used by the Police Department and Sheriff's Department. The benefit to the City of recruiting is maintenance of a diverse population in the Fire Department, including an expansion of language skills and cultural competence during emergency situations.

¹¹ Self-reporting of race and gender is voluntary

3. Entry-Level Selection

- The process of selecting H2 entry-level firefighters for the fire academy has been complicated by a large number of applicants for relatively few positions, as well as the merger of the EMS and fire suppression functions within the Fire Department.
- The Rule of the List eligibility certification gives the Fire Chief discretion in selecting H2 candidates for the fire academy from among civilians and the Department's existing EMT's and paramedics. In selecting candidates for the last three fire academies, the Chief has used a survey that collects the candidate's history of professional experience, education, language skills, licensing and certifications, and other business-related criteria to gain a complete picture of qualifications.
- Neither the use of the additional criteria collected in the survey nor the survey process itself was described in the 2009 H2 job announcement. For applicants to understand and prepare for the selection of entry-level firefighter positions, the Department should make known to the public the use of all selection tools and business-related criteria, including current service in the Department and firefighter experience or academic preparation. The Department should ensure that future job announcements detail these criteria and tools.
- Since the EMS merger in 1997, formal and informal revisions to existing classifications have resulted in overlapping classifications and unclear career paths. The Department initially created a classification for cross-trained paramedics/firefighters, but firefighters did not show interest in cross-training as paramedics. In 2006, the Department of Human Resources (DHR) reclassified the position into a deep class—H3 EMT/Paramedic/Firefighter— in which entry-level positions could gain skills and advance to the fully cross-trained paramedic/firefighter, but opportunities to advance into the fully cross-trained position have been limited. In 2011, the Fire Department and Firefighters Union agreed to a less formal H2P designation for H2 firefighters with paramedic training that requires similar skills to the fully cross-trained H3 paramedic/firefighter classification. Although the Department has established overlapping classifications, the Department has no formal policy on hiring existing H3 EMT/Paramedic staff into H2 Firefighter positions. Due to the changes in Fire Department classifications in recent years, DHR should evaluate the existing H2 Firefighter (including H2P) class and H3 EMT/Paramedic/Firefighter deep class to ensure that they are appropriate to meet the Fire Department's staffing needs.

Competitiveness of H2 Firefighter Position Selection

While typically competitive in large urban jurisdictions, entry-level firefighter jobs in San Francisco attract tremendous interest due to the high wages, generous benefits and demanding work environment. The most recent application process for H2 Firefighter positions in San Francisco in 2009 drew over 10,000 initial applicants, of which 6,205 took the examination. Despite the high no-show rate (discussed in more detail in Section 2 of this report), successful applicants on the current eligible list far outnumber slots for the fire academy that will be available over the life of the eligible list.¹ Since certification of the 2009 list, the Chief has selected 135 candidates (or 3 percent of eligible candidates) for the fire academy, as shown below.

Table 3-1
Applicants, Participants and Pass Rate for the 2009 H2 Entry Level Firefighter Written Examination

	Male	Female	Not Disclosed	Total
Applied	9,526	813	534	10,873
Participated	5,403	444	358	6,205
Passed	4,521	376	312	5,209
Accepted to Academy	118	17		135

Source: Department of Human Resources Data

Maintaining Workforce Diversity at the Fire Department

As noted in Section 2 of this report, to the extent allowed by law, the goal of recruiting and maintaining a workforce that reflects the City's diversity has been reiterated in various policy statements from the City, the Fire Department and the Fire Commission. In the 1997 Stipulated Order that ended court monitoring of the Fire Department, the Department agreed to continue to work towards eliminating vestiges of past discrimination and to continue the process of diversifying the Department. The City agreed that to the extent allowed by law it would work towards attaining a workforce that reflects the demographic composition of San Francisco,² as established by the

¹ Eligible lists generally expire after three years, with an opportunity to extend the list for one additional year.

² Civil Service Commission rules require DHR to report annually to compare the City's workforce with the available workforce by race/ethnicity and gender. DHR bases their analysis on "labor market availability" by race/ethnicity and gender in defined occupational categories and in selected job classes. The DHR analysis results in different labor pools for different occupations (i.e., the labor market availability for police differs from the labor market availability for

U.S. Census civilian labor force data and would make best efforts specifically to maintain 10 percent female representation in the sworn workforce.

However, a review of recent trends in the Fire Department workforce indicates the need for greater attention to diversity by Department officials. For example, the number of female applicants for Fire Department's entry-level firefighter job has dropped from 23 percent of total applicants in 1994 to 7 percent of applicants in 2009. In addition, 11 percent of appointments selected for the academy from the current eligible list were women, which is 5 percentage points less than the 16 percent of the Fire Department's current workforce who are women, as shown in the table below.

Table 3-2
Race and Gender Composition of the San Francisco Fire Department
Compared to Percentage in San Francisco General Population

	% of San Francisco Population	% in Fire Department	% of Appointments from Current H2 List
Women	51	16%	11%
White	42.0%	48.0%	52.0%
African American	6.1%	10.0%	11.0%
Hispanic	15.1%	16.0%	19.0%
Asian Pacific Islander Filipino	33.7%	25.0%	17.0%
Native American	0.5%	1.0%	0.5%

Sources: US Census Data, Fire Department Data

As noted in the Introduction and in Section 2 of this report, the Department has successfully maintained a representative workforce across most minority groups and has hired women in greater proportion than their representation on the current eligible list. However, Asian firefighters comprise only 25 percent of the Fire Department's sworn personnel, which is nearly 9 percentage points below the City's Asian population of 34 percent, and the number of appointments of Asian and Pacific Islander candidates from the current eligible list is 17 percentage points below the Asian Pacific Islander population in San Francisco.³

fire). The Budget and Legislative Analyst used total City population, which represents the diversity of the City as a whole, rather than the more restricted labor market availability analysis.

³ Underrepresentation of Asians in fire departments is a national phenomenon. See International Association of Firefighters Diversity Initiative, *Achieving and Retaining a Diverse Fire Service Workforce*, January 2006

The Department's Discretion in Candidate Selection

Civil Service rules are meant to assure applicants and employees of "fair and impartial treatment."⁴ However, with a pool of H2 applicants and qualified candidates that far exceeds the number of available jobs, the Department faces a challenging task in identifying the most appropriate eligibility certification rule and selection method (Rule of the List, Rule of Three, Rule of Ten, etc.⁵).

Currently, the Department utilizes the Rule of the List eligibility certification for the entry-level firefighter exam, which does not require the appointing officer to follow strict rank order of test scores. Instead, the Chief (the Fire Department's appointing officer) can choose "down the list" from among all passing candidates. This discretion allows the Chief to address the department's need for candidates with a variety of special knowledge, skills and abilities, and to use measures other than test scores in determining the best candidates.

Inadequate Documentation of Selection Criteria

Although the Chief's discretion to use the Rule of the List has been granted by the Civil Service Commission, corresponding job announcements should still sufficiently detail the criteria to be considered in the selection process. The H2 job announcement in 2009 described minimum requirements, test components and formats, what the test is designed to assess, and how the eligibility list is created. The announcement also described the selection procedure for candidates who pass the written test including the background check, EMT certification and Candidate Physical Ability Test (CPAT) requirement. However, the selection process included three elements whose relative importance should be clarified to the greatest extent possible in future H2 announcements and selection of candidates.

⁴ Civil Service Rule Section 301.2

⁵ Rule of Three requires appointing officers to select candidates from the top three on an eligible list. For a position for which there is one vacancy, the appointing officer must choose among the top three candidates. The Rule of Ten similarly allows the appointing officer to select from the top ten candidates on an eligible list. The Rule of the List allows appointing officers to select any candidate on the eligible list; in this case, the Fire Department Chief can select any candidate who has passed the entry-level exam.

Fire Science Training

The 2009 H2 job announcement notes that:

selection for conditional offers of appointment will be based on the candidate's written test score and criteria such as:

- Certificates: Firefighter 1, Paramedic
- Completion of Fire Science / Fire Technology coursework and/or degrees
- Completion of State Fire Marshal courses
- Work experience as a Firefighter, Paramedic, EMT

However, the job announcement does not indicate how the Department will use these criteria, in combination with written test scores, to determine selection. For example, it is not clear to what extent a Fire Science Associate Degree from City College of San Francisco (or elsewhere) increases an H2 candidate's chances for selection. If the Department intends to give preference to candidates who have completed academic training for a firefighting career, such as those in City College's Fire Science Associates Degree program, the Department should make the criteria explicit.

Current City Employment

For the last three academies, the Chief has departed from strict rank order in making selections using a preference for candidates currently employed at Fire Department and deployed from Station 49, as described below. As noted in the Introduction to this report, and as discussed in more detail below, the Department of Human Resources (DHR) amended the H3 Firefighter/Paramedic classification in 2005 to establish a "deep class," with the intent of creating a direct career ladder for EMS employees into fire suppression.

While a limited number of EMS employees at Station 49 have been accepted into the most recent academies, the Department's policy on this preference has never been clearly or publicly documented. According to interviews, confusion about this policy/preference has caused low morale among the EMS Division. At the time of the H2 job announcement and test, the Fire Department did not intend to consider current Fire Department employment. Now that the department has set a precedent of giving some form of preference to some Station 49 employees, the Department should clarify its policy to manage employee expectations and ensure transparency.

H2 Candidate Survey

Civil Service Rule 313.2.1 allows the Chief to use surveys, interviews and other selection methods in addition to test scores to choose among thousands of eligible candidates. For previous tests, the Department has interviewed

candidates in the secondary selection process, but the large number of candidates in 2009 made interviews impractical. Instead, as part of the candidate selection process for its last three H2 academies, the Fire Department has used a survey that asks candidates about their professional experience, education, licensing and certifications, special skills such as foreign language proficiency and other knowledge, skills and abilities related to firefighting or EMS. This information is intended to provide a comprehensive picture of candidate qualifications and job readiness to give the Chief a broader basis (other than test scores) for selecting applicants.

While the Department collected these surveys, it did not tabulate the results. It is unclear exactly how the information was reviewed and used. In addition, the 2009 job announcement did not reference the use of these additional criteria, or the use of a survey process, because the survey was developed after the large number of candidates who passed the written examination was found to be unmanageable.

In order to allow candidates a fair opportunity to prepare for the admission to the Department and to ensure a transparent process, future job announcements should alert candidates to all criteria that will be evaluated in an effort to rank them in relation to other candidates who pass the written examination.

At a minimum, the announcement should describe the relative importance of all rating criteria (including preferences for current Department employees and/or applicants with special training and abilities) to make transparent their use in candidate selection.

Need to Review Employee Classifications

Because Fire Department employee classifications have changed multiple times since 1997, there continues to be uncertainty regarding points of entry into the H2 class.

History of Classification Changes

Creation of H1 and H3 Classifications

As noted in the Introduction to this report, following the merger of suppression and EMS services at the Fire Department, DHR created two new classifications of employees: H1 (Fire Rescue Paramedic) and H3 (Firefighter/Paramedic).

According to a November 2005 letter from then Director of DHR:

the applicant pool for the H1 classification was limited (i.e. closed) to permanent 2532 paramedics [who had transferred from DPH]. Also in July 1997, the City created the H3 firefighter/paramedic classification. In so doing, the Fire Department also offered paramedics the opportunity to transfer into the H3 firefighter/paramedic classification with additional fire suppression training...The H1 classification was always intended to be an interim classification, and vacancies from attrition were to be filled by H3 firefighter/paramedics.

The H1s were placed on 24-hour shifts on ambulances that were moved into fire stations (having previously been dynamically deployed), and the Department cross-trained approximately 150 H1s who became H3s. Although the Department also encouraged H2s to cross-train as firefighter/paramedics, the interest was much lower than expected, so the Department hired firefighter-paramedics from outside of the department (known as "laterals") in order to meet staffing needs.

Creation of H3 "Deep Class"

Following a 2004 audit conducted by the Controller's Office, it became clear that the merger had not succeeded in attracting sufficient interest in cross-training into the H3 firefighter/paramedic classification, and had created unreasonably heavy workloads with 24-hour ambulance shifts. In response, the Fire Commission adopted resolution 05-4 on March 24, 2005 authorizing the reconfiguration and revival of single function paramedics and EMTs. The resolution directed the Fire Department to create a policy "concerning the hiring of EMTs and paramedics into the ranks of the Department as firefighters and firefighter paramedics." This reconfiguration resulted in the creation of the H3 "deep class"— including Levels 1, 2 and 3— which the former DHR director described as:

a group of positions having common functions and levels of responsibility requiring related knowledge, abilities and skills...The H3 deep class combines three groups of positions: EMS; transport paramedics; and fully cross-trained firefighter/paramedics...The related knowledge, abilities and skills is further reflected by the fact that the duties of the class are cumulative between levels. For example, Level 3 incumbents are responsible for having all the knowledge, abilities and skills to perform the duties described in Levels 1 and 2. While advancement [through the levels] is not compulsory, it is enhanced and facilitated by the structure of the classification...The bundling of these classifications into the H3 deep class provides a seamless transition for the employee and operational flexibility for the Department by avoiding constant exchanging of job requisitions as employees matriculate through the EMS education process. The H3 deep class establishes a classification that traces a logical career path from entry as a transport EMT to fully cross-trained firefighter / paramedic.

H2P Firefighter with a Paramedic License "Status Grant"

While the creation of the H3 deep class was the last formal classification change related to Fire Department entry-level positions, in late 2011, the Fire Department created the H2P (or, firefighter with a paramedic license) designation. "H2P" is a Civil Service status grant that was negotiated with the Firefighter Union Local 798. It is not a DHR classification. H2P was created for two purposes: (1) to allow laterally hired firefighter-paramedics (H3 Level 3) to attain the H2 classification provided they maintain their paramedic license; and (2) to create a designation for some H3 level 2 paramedics selected for the Fire Academy by seniority. The H2P status grant is intended to give the Chief flexibility in meeting staffing requirements for ALS engines.

Lack of Clarity Regarding Purpose of H3 Deep Class and Career Ladder

As noted above, the original intention of the H3 Deep Class was to provide "multiple points of entry and a clear career path for EMTs, paramedics and firefighter/paramedics." For the last three fire academies, the Department has selected 15 H3 Level 1s and 10 H3 Level 2s from Station 49.

All of these candidates originally entered the Fire Department after the reconfiguration via a test (H3 Level 1 or 2), took the 2009 H2 entry level test, and placed on the H2 eligible list. Of the 15 paramedics, nine were selected based on their seniority in the Department and six were selected based on their scores. Paramedics selected based on seniority become H2Ps upon successful completion of the academy. The rest of the paramedics and all of the EMTs (whether selected on the basis of their score or seniority) become regular H2s upon completion of the academy. After cross-training, none of the H3 Level 1 and 2s will become H3 Level 3s.

Having multiple classifications (or designations) for the same work is duplicative and confusing. The Department of Human Resources should work with the Fire Department to clarify and, as needed, reclassify existing job classifications, with long-term strategic and staffing goals in mind, so that current and prospective employees at Fire Department can be assured equal opportunities.

Conclusion

Because the Fire Department entry-level firefighter job announcement attracts thousands of applications from well qualified candidates, the testing and selection processes have become complex and costly. While DHR is

attempting to address this through the adoption of a continuous testing model for the entry-level firefighter classification, the Department should clarify the use of secondary criteria in all future job announcements. In addition, due to the changes in employee classifications in recent years, DHR should evaluate the existing H2 Firefighter (including H2P) class and H3 EMT/Paramedic/Firefighter deep class to ensure that they are appropriate to meet the Fire Department's staffing needs.

Recommendations

The Chief of the Fire Department should:

- 3.1 Clarify and publicly document any secondary criteria that will be used in the H2 selection process, and ensure that those criteria are clearly stated in job announcements.

The Director of Human Resources should:

- 3.2 Ensure that future H2 Job Announcements include all potential selection criteria, such as language skills, Fire Science training, current City employment and other academic or professional training or professional certifications. To the extent possible, the relative weight of these criteria should also be clearly stated on the job announcement.
- 3.3 Evaluate the existing H2 Firefighter (including H2P) class and H3 EMT/Paramedic/Firefighter deep class to ensure that they are appropriate to meet the Fire Department's staffing needs, and work with Chief of the Fire Department to make any necessary changes.

Costs and Benefits

The Fire Department should be able to implement these recommendations with no additional staff or other resources. Clarity in the use of secondary criteria and the hire existing EMT and paramedic staff into entry-level positions will strengthen the hiring process by ensuring that applicants fully understand that process. DHR may incur additional costs if they need to conduct a classification study of the H2 and H3 classes; these costs would be included in the annual DHR budget, subject to Board of Supervisors appropriation approval.

4. Promotions

- The City has designed a process for developing fire services examinations, through which answer keys are developed concurrently with test administration, which does not comply with national industry practices. The current process does not allow for sufficient opportunity to identify and correct errors in the test instrument prior to test administration.
 - Training requirements for promotions at Fire Department should more accurately reflect job qualifications. Currently, employees can be promoted to high-ranking positions without demonstrating proficiency in management and administration. Additionally, although the majority of command staff has not been cross-trained in emergency medical services, they are charged with supervising paramedic staff.
 - The Fire Department does not offer equal promotional opportunities for its two unique service functions (suppression and emergency medical services). Despite the significantly greater service volume that they support, emergency medical services employees have a relatively limited career ladder at Fire Department.
 - The Fire Department should ensure that the promotional testing timeline meets the hiring needs related to anticipated retirements, in order to ensure adequate supervision and maintain proper staffing levels.
-

As evidenced by legal challenges, some Fire Department employees do not have confidence in the fairness of Fire Department policies and practices with regard to departmental promotions.

The City has taken steps to adapt the process of promotional testing in order to mitigate claims of discrimination and favoritism—specifically by relocating the function of test development and administration from the Fire Department back to the Department of Human Resources (DHR), where it had resided prior to the consent decree, and by redesigning the test development process to include the participation of external test consultants and subject matter experts.

Despite these changes, based on interviews with department employees, confidence in the fairness of the promotional process has not improved; the City currently has three pending lawsuits challenging promotional exams.

Test Answer Key Development Process Does Not Conform to Standard Industry Practices

The Public Safety Team at the Department of Human Resources, currently charged with developing and administering exams for the Fire Department, uses a panel of internal subject matter experts (called the Test Development Committee) who are selected by the Fire Department Chief to develop the exams and determine the relative weights of the test components. This process is directed by the Public Safety Team at DHR, with quality control support from a private test consulting firm. The test answer key is created by a panel of both internal and external subject matter experts at the time that the test is administered.

According to the Fire Department and DHR, the purpose of the concurrent development of the key is to prevent the appearance of any irregularities or malfeasance. In its 2012 Annual Report to the Civil Service Commission, the Department of Human Resources noted, "Concerns over examination security resulted in practices where...to this day, answers to fire promotional questions are developed at the time these tests are administered, not prior." In response to claims that certain candidates had received test answers in advance of exams, DHR implemented a practice to create answer keys at the same time that candidates actually take the test. This practice is highly unusual, and does not adhere to standard industry practices adopted by other fire departments. The table below shows the results of a survey of testing practices utilized by fire departments in other jurisdictions.

Table 4-1
Survey Results of Fire Test Development Practices

Fire Department	Develop Test Answer Keys Simultaneously With Test Administration?
Austin	No
Los Angeles	No
Minneapolis	No
Montgomery	No
Phoenix	No
Sacramento	No
San Diego	No
San Jose	No

Source: Budget and Legislative Analyst Survey Results

The Department of Human Resources contends that “the current practice of developing the answer key at the time a test is administered must be understood within the context of decades of mistrust and suspicion among various groups within the Fire Department. To the extent it helps to deter cheating, it improves the reliability and validity of the testing process.” According to the US Department of Labor, “reliability” and “validity” are not determined by the absence of cheating—rather, by how dependably or consistently a test measures a characteristic and how well the test measures that characteristic. Reliability and validity are defined by the actual test instrument, not the test development process.

By creating the answer key at the time of test administration, without any pre-testing of the exam instrument, the Department of Human Resources does not allow for the opportunity to identify any problems with the test questions in advance of administration.

Insufficient Training Requirements for Command Officers

Although high-ranking officials at the Fire Department perform a significant amount of nonemergency functions, they do not need to demonstrate proficiency in managerial or administrative capacities at the time of promotion. As a result, these officials may be inadequately prepared to lead the Department, potentially leaving the Department vulnerable to ineffective management.

According to the Department of Human Resources, the Public Safety Team spends significant time preparing the “job analysis” for open positions before test development begins, in order to identify the essential skills necessary for the position. However, those skills typically reflect technical abilities. Yet, technical knowledge related to emergency services functions do not appear on the tests, allowing for suppression employees to promote up to supervisory roles, with oversight over EMS functions for which they have not been trained.

Senior Administrative Command Staff Lack Sufficient Management Training

Promotion to command staff positions at the Fire Department does not require the proven, demonstrated ability to supervise staff and manage divisions. Promotional tests primarily focus on operational skills, testing the candidate’s ability to respond to emergency circumstances. These exams do not test or measure the candidate’s ability to perform management functions, such as supervising and evaluating staff performance, setting priorities and

implementing plans based on these priorities, and ensuring the cost-effective use of resources. In addition, the Department does not require or provide additional training in higher level administrative or business functions. Employees who have been promoted up from the ranks to the level of chief do not receive administrative skills training from the Fire Department, as part of either annual or promotional training requirements.

If higher ranking employees at the Fire Department seek additional administrative training, they must seek those opportunities at their own expense.

Supervisors Must Have Paramedic Training To Manage Paramedic Staff

Because H3 Emergency Medical Technicians (EMT) and Paramedics have limited promotional opportunities, higher ranking officers can supervise paramedics with no paramedic training of their own. Particularly due to the highly specialized nature of the work, and the critical services these workers provide to San Francisco residents facing life-threatening situations, it is essential that the Fire Department paramedics receive support and guidance from sufficiently trained supervisors who understand their work and its challenges, and who can best provide day-to-day direction and leadership. Currently, only 14 of the 354 higher-ranking employees (H20 and up) hold paramedic licenses. In its 2004 report, the San Francisco Controller's Office noted that "over the longer term the Fire Department must structure promotional opportunities so that the command staff includes more people who have expertise in the medical work of the Department." In the nearly 10 years since that report, there has been no expansion of either promotional opportunities for EMS or paramedic training requirements for promotion to higher ranks.

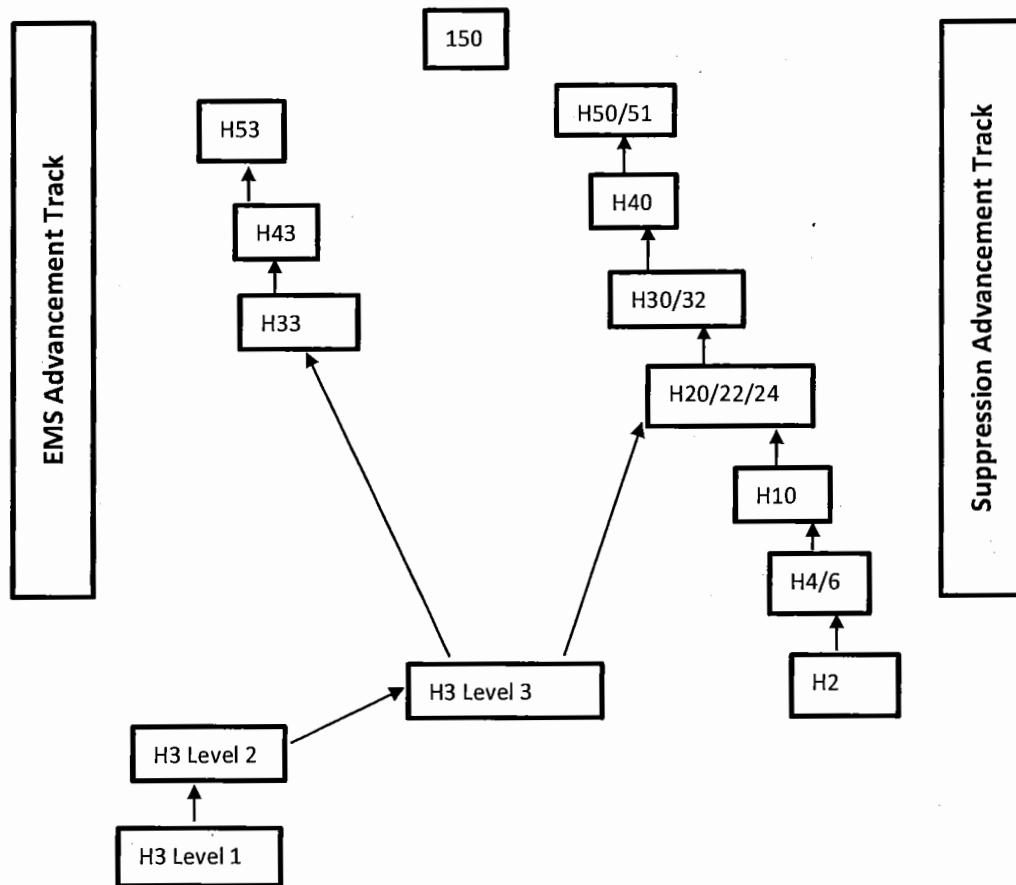
Promotional Process Not Sufficiently Tied to Succession Planning

The purpose of succession planning is to guarantee that departments have the most qualified candidates ready to fill leadership positions in order to continue to move the Department forward. Currently, the Fire Department does not offer a proportional number of promotional opportunities to EMS staff, despite the significant workload performed, nor does the Department sufficiently evaluate the promotional schedule in light of expected retirements.

Disparate Promotional Opportunities within Department

In contrast to suppression, there are limited promotional opportunities for Paramedics/EMTs at the Fire Department. As pointed out in the Controller's 2004 review of fire and EMS functions, this imbalance conversely reflects the actual workload performed by the department, where over 70 percent of calls are medical as opposed to suppression.

**Exhibit 4-2
Fire Department Promotional Ladder – Suppression vs Emergency Services**



As shown above, there are currently two parallel tracks at the Fire Department for EMS and suppression, with substantially fewer advancement opportunities in Emergency Medical Services, despite the higher volume of calls for service. There is only one H53 and one H43, so essentially the only promotion that paramedics can realistically hope to achieve is H33. As noted in the San Francisco Controller's Office 2004 report, there is no EMS equivalent to the H20 rank. Though allowable, it is rare that H3 Level 3s test in to the H20 class— as of October 2013, only 26 H3 Level 3s have promoted up to H20.

Need to Align Promotional Plan with Anticipated Retirements

As discussed in more detail in Section 5, the Fire Department currently does not engage in strategic or succession planning. It is anticipated that significant numbers of high-ranking Department employees will retire in the next 5 to 10 years. According to data from the Fire Department, there are currently 143 employees over the age of 55, and another 218 who will reach retirement age within the next five years.

Table 4-3
Number of SSFD Uniformed Employees over 55

Age Group	Total Fire Department Uniformed Employees
50-54	218
55-59	108
60-64	27
65-69	6
75-79	2
Total	361

Source: Fire Department Data

In order to ensure that promotions occur in a timely manner to prevent any lapse in leadership and to ensure fluid transitions, the Department should complete a succession planning process and coordinate those goals with the Department of Human Resources' plans for testing.

Conclusion

There are opportunities to improve the City's promotional process for uniformed fire employees, both before and after promotions have been made. Although the City has created a test development process that seems to have allayed concerns regarding cheating, it should consider adjustments to provide for greater quality control. Because the Fire Department and the Department of Human Resources play complementary roles in the promotions process, they should work closely together to make sure that key goals are aligned.

Recommendations

The Director of Human Resources should:

- 4.1 Review procedures regarding promotional test development, particularly with regard to the timing of the answer key development, to ensure sufficient opportunity to identify errors with the test instrument prior to test administration.

The Chief of the Fire Department should:

- 4.2 Establish a Professional Development plan that details training required for advancement at the Fire Department, including both administrative/ management and operational functions. This plan should establish baselines for skills development, including the requirement that suppression staff promoted to supervisory roles (H40 and above) acquire a basic understanding of paramedic operations in order to manage EMS staff most effectively.
- 4.3 Encourage high-ranking employees to take advantage of other available City resources for administrative and management skills-building, such as the Workforce Development courses and the City's Leadership Development Program.
- 4.4 Work with DHR in its review of the Fire Department classifications (as discussed in Section 3) to analyze the Department's current promotional opportunities for the Fire Department emergency medical services employees in order to ensure equal representation in leadership roles and decision-making, and submit a report to Fire Commission by June 30, 2014.
- 4.5 Evaluate the promotion testing timeline in the context of anticipated retirements to ensure sufficient opportunity to fill vacancies with qualified candidates.

Costs and Benefits

The Fire Department and Department of Human Resources should be able to implement these recommendations within existing resources. Successful implementation could potentially reduce the incidence of challenges to promotional exams, including lawsuits, saving the City the costs of litigation. For example, in October 2013, a jury awarded \$3.7 million to 15 San Francisco firefighters based on promotional exams.

5. Succession Planning

- Despite recommendations over the past ten years, Fire Department leadership has not prioritized strategic planning in its operations. As a result, this failure to plan effectively for retirements and succession leaves the Department in jeopardy of insufficient leadership and inadequate staffing levels.
- Without proper succession planning, the Department must ultimately rely more heavily on overtime. As a result of the hard cap on overtime hours, the department often requires mandatory overtime of uniformed employees.
- Mandatory overtime requirements are unpopular with the workforce, due to potential risks (i.e. to the safe operation of vehicles and machinery, to the quality patient care) and quality-of-life issues (like childcare needs).
- In addition, failure to conduct comprehensive succession planning jeopardizes the Department's ability to maintain demographic diversity across classifications. The Department should incorporate these criteria into its analysis in order to ensure equal employment opportunities.

Absence of Strategic Planning

SFFD currently does not engage in any formal planning, whether for succession to anticipate retirements and staffing needs, or for strategic organizational development.

Since at least 2002, the Budget and Legislative Analyst has recommended that the Fire Department formally conduct strategic and organizational planning in order to ensure the proper alignment of staffing and resources to provide the highest level of service to the community. Later, as the Department integrated the delivery of emergency medical services into its operations, the need for ongoing organizational analysis became more urgent—particularly as challenges to the integration of these functions became clear early in the process.

In the Budget and Legislative Analyst's 2002 Management Audit¹ of the Department, recommendations addressed the importance of creating a specific unit for this purpose:

¹ "Management Audit of the San Francisco Fire Department", January 2002, Recommendation 1.3.1

The Fire Department lacks a single coordinating point for policy development, strategic planning, performance analysis, research, continuous quality improvement, risk management, and grant writing functions.

The Budget and Legislative Analyst has reiterated the importance of this function within the Department in its annual budget analysis. For example, in June 2003, the Budget and Legislative Analyst's budget recommendations for the Fire Department included six policy options for the Board of Supervisors to consider. One of those options— number 4—explicitly outlined a recommendation for the creation of a Strategic Policy, Planning and Analysis Unit. This would have included the addition of three new positions to provide:

- coordinated advice from professional analysts, an enhanced organizational perspective on the integration of fire suppression and emergency medical services, a regularly updated strategic plan, [and] organizational performance measures and reporting.

In response, the Department has expressed agreement, saying that it "recognizes a need to develop a more structured and managed approach to strategic planning." However, after more than ten years, no formal strategic planning takes place at the Fire Department.

Insufficient Succession Planning

Similarly, the Department has not sufficiently planned for retirements and leadership succession. Fire Commission meeting minutes reflect frequent questions regarding the status of succession planning. At the Fire Commission meeting on August 25, 2011:

- Commissioner Breed echoed her concern for the large number of retired members. She encouraged the Department to develop a strategic plan to help guide the Department regardless of who is on the Administration or Commission. Chief Hayes-White replied that the Department has done quite a bit of work putting together a fleet facility plan and staffing analysis. She commented that a strategic plan is a good idea, but part of the difficulty is the economic challenge.

According to the Department, the primary planning activity conducted with regard to succession is estimating the workforce impact on projected annual retirements.

Analysis of Annual Retirement Probability

In its most recent budget proposals, the Department has projected that there will be 30 separations due to retirements. According to the Department, this

is based on an informal assessment of the number of individuals who may retire during the budget years and is not based on a detailed assessment of retirement eligibility and other factors that drive these numbers. Retirements, which make up 87 percent of all separations from the department, as shown in the table below, decreased by nearly 50 percent from FY 2009-10 through FY 2012-13.

Table 5-1
Separations by Reason for Uniformed Personnel
San Francisco Fire Department FY 2010 through FY 2013

Termination Reason	2010	2011	2012	2013	Total	% Total
Retired	57	54	37	29	177	86.8%
Resigned	4	1	1	3	9	4.4%
Released from Probation	0	2	2	4	8	3.9%
Dismissed	1	1	1	1	4	2.0%
Deceased	1	2	2	1	6	2.9%
Total	63	60	43	38	204	100.0%

Source: Fire Department Data

The number of employees who are eligible for retirement will increase in the near future as the existing workforce ages. The following table shows the age and service years of active duty uniformed firefighting personnel in the Fire Department, suggesting that retirements will again begin to surge in the next two- to five-year window.

Table 5-2
Age Profile and Years of Service for Uniformed Department Positions

Employee Age	Years of Credited Service						Total
	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 and Above	
45 to 49	115	99	87	4	-	-	305
50 to 54	56	43	103	15	3	1	221
55 to 59	16	12	41	6	17	3	95
60 & Older	-	4	14	2	8	5	33
TOTAL	187	158	245	27	28	9	654

Source: SFERS Actuarial Report 2012

This data was drawn from the active member data charts from the San Francisco Employee Retirement System (SFERS) Actuarial Report for 2012. The following conclusions can be drawn from this table:

- There were 128 individuals who were over the age of 55 and met the minimum requirements for full retirement based on years of credited

service. Of these, 33 had sufficient service credits to receive the maximum pension allowed under the plan (90 percent of Final Average Salary). The 128 eligible individuals equates to 425 percent of the number of retirees assumed by the Fire Department when estimating its budget, or approximately 4.25 years of assumed retirements at a 30 employee annual attrition rate.

- There were an additional 221 individuals who would become eligible for full retirement within one to four years of the date of the report (2013 through 2017). This equates to an additional 737 percent of the number of annual retiree separations assumed by the Fire Department when estimating its budget, with four individuals having enough service credits in 2012 to retire with a full pension after reaching eligibility age. This equates to 7.37 years of assumed retirements at a 30 employee annual attrition rate.
- Within six to ten years, an additional 305 individuals, presently aged 45 to 49, will become eligible for full retirement. This equates to an additional 1,020 percent of the number of annual retiree separations assumed by the Fire Department when estimating its budget, or approximately 10.02 years or assumed retirements at a 30 employee annual attrition rate.

This data corresponds closely with separate data provided by the Fire Department on the age of uniformed firefighting personnel, which shows a pronounced spike in employees aged forty to fifty, increasing the probability that retirements will increase above the Department's current estimates in the next several years, with a notable surge over the next five to 15 years. Consistent with other findings in this report, the Department should develop a rolling five-year hiring plan that predicts staffing needs by using improved data on potential retirements and other separations and by incorporating formal succession planning into operations.

Failure to Plan for Retirements May Impact Diversity of Department

As discussed in the Introduction to this report, the Department has successfully maintained diversity in its ranks across most demographic groups, with the primary exception of Asian Pacific Islanders. However, given the likelihood of a significant number of retirements in the near future, the Department should incorporate demographic diversity into its analysis of retirement projections.

Although privacy concerns prevent the analysis of such projections for the purposes of this report, information obtained in interviews suggests that one classification in particular—H40 Battalion Chief— will experience a dramatic loss in black members within the next five years. As detailed in the Introduction, the percentage of black firefighters in that classification (44.4 percent) is markedly high. If the Department seeks to maintain not only a

diverse workforce, but one in which promotional opportunities are shared equally by different demographic populations, it will need to perform more sophisticated analyses of retirement projections.

These projections must also be monitored and evaluated in the context of the promotional testing timeline. As shown in the table below, certain ranks will likely experience significant vacancies due to retirements in the near future.

Table 5-3
Fire Exam Eligible List Schedule

Rank	List Expires	Already Extended?	Number of Employees Age 55+	Total Number of Employees	% Age 55+
H2	4/4/2014	Y	94	771	12.2
H3 - 2	2/24/2014	Y	25	299	12.2
H3 - 1	6/19/2014	N			
H4	1/13/2013	Y	9	22	40.9
H6	4/7/2013	Y	4	4	100.0
H20	9/3/2016	N	60	182	33.0
H30	8/11/2014	N	21	67	31.3
H32	6/12/2016	N	3	6	50.0
H33	8/24/2014	Y	2	24	8.3
H40	2/11/2016	N	6	27	22.2
H50	1/3/2014	N	4	6	66.7
H110	9/9/2011	Y	3	3	100.0
H120	9/9/2011	Y	3	3	100.0

Source: Fire Department Data

As noted in the Table 5-2, there are 221 employees between the ages of 50-55, so the Department can expect another substantial number of retirements in the near future. Planning for this will help guarantee adequate, qualified staffing.

Failure to Keep Hiring Apace with Retirement Increases Reliance on Overtime

Because it does not conduct robust analysis of potential retirements, the Department requires the backfilling of uniformed positions with overtime when unanticipated retirement vacancies occur.

As noted in the minutes from the Fire Commission Meeting on August 11, 2011:

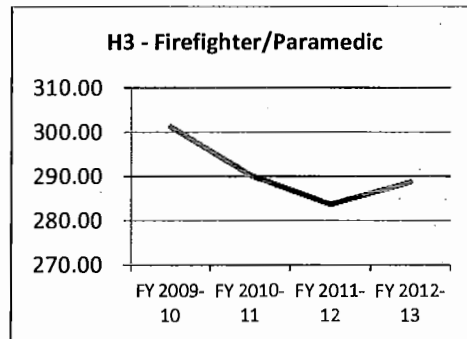
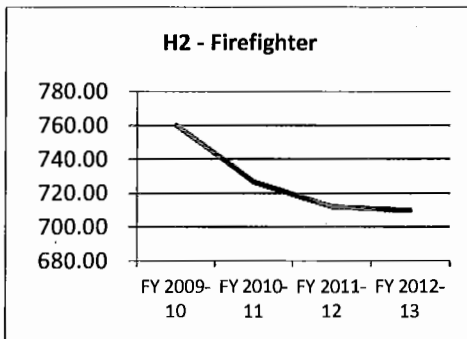
Commissioner Breed remarked that the Fiscal Year 2011-12 budget does not account for the many people retiring. She asked about the possibility of hiring additional people in the future to fill in the gaps. Chief Hayes-White explained that the Department is not budgeted for a class this fiscal year. Mr. Corso will be finalizing his analysis to determine whether the Department could use some of the overtime funding and salary savings as a result of the high number of retirements. When the previous fiscal year budget was prepared, the Department had projected 55 retirements. The actual number of retirees at the end of FY 2011 was 67, and now a graduating class of 35 seems inadequate.

The Department has had significant difficulty estimating its overtime needs in recent years. For example, in FY 2011-12, the Board of Supervisors re-appropriated \$5.6 million from permanent salaries to overtime and in FY 2012-13 the Board re-appropriated \$4.1 million from permanent salaries to overtime, due largely to more retirements than anticipated in the budget. As part of the analysis of the Department's overtime supplemental appropriation request in each of these two fiscal years, the Budget and Legislative Analyst determined that the overages were caused "due to variability of retirements" (2012) and the need to "backfill vacancies due to retirements, leaves of absence, and other separations of uniformed staff" (2013).

The Mayor's Plan for Fire Academies

The Department had three academies for H2 Firefighter and H3 Level 1 Firefighter/Paramedic personnel, graduating 59 individuals between FY 2009-10 and FY 2012-13. Nonetheless, since FY 2009-10, core suppression staffing has declined by approximately 9.8 percent, which resulted in net vacancies of approximately 140 FTE positions from FY 2009-10 levels. For the core H2 and H3 entry level positions, the personnel count has declined by approximately 50.5 positions and 12.5 positions through FY 2012-13, respectively, as illustrated in the charts below.

**Exhibit 5-1
Decline in H2 Firefighter and H3 Firefighter/Paramedic Personnel
Between FY 2009-10 and FY 2012-13**



Source: Fire Department Data

This pattern of declining staffing levels for core suppression personnel has been the result of the Department's intentional practice of slowing hiring to replace individuals separating from the Department. The rate of decline has been driven by the high number of employment separations during this four-year period in all ranks.²

In May 2012, the Mayor made a public commitment to fund six additional academies over six years to close this vacancy gap. This commitment was also referenced in the *City's Adopted Five Year Financial Plan for Fiscal Years 2013-14 through FY 2017-18*. In accordance with the Plan and the Mayor's public comments, the FY 2013-15 Proposed Budget stated the following:

The Department will hold an additional academy class of 36 entry-level firefighters in January 2014 to further increase uniformed staffing levels. Hiring is critical to the Department's operational stability, as the Department needs to replace a large number of retired employees. Over the next two years, these 120 new firefighters will reduce the Department's reliance on overtime staffing to fulfill its fixed staffing model.

The Mayor's recommendation was adopted by the Board. Therefore, by the end of FY 2014-15, the three academies should reduce the number of vacancies by a net of 90 positions after factoring out the Department's expected retirements and other separations. The Mayor will need to maintain the commitment to fund six academies through FY 2017-18 in order to meet the Department's staffing needs and replace uniformed staff who retire. Additional academies may be required in order to maintain adequate staffing levels and reduce the use of mandatory overtime if the number of retirements significantly exceeds the Department's current estimate of 30 per year.

Conclusion

Failure to conduct formal succession planning has contributed to the Department's difficulties accurately projecting overtime costs at the time the annual budget is developed. By making certain modifications to how it approaches the analysis of these factors, the Department could improve its overtime projection accuracy and limit the need to request that the Mayor and Board of Supervisors authorize the re-appropriation of other Department resources for overtime at year-end.

² When vacancies occur in the higher ranks, the positions are generally filled through promotions in the lower ranks. Therefore, the greatest impact from employment separation at any rank directly impacts the number of personnel in the core H2 Firefighter and H3 Firefighter/Paramedic classifications.

Recommendations

The Mayor should:

- 5.1 Maintain the May 2012 plan to conduct six additional academies over six years; and if the number of actual retirements significantly exceeds the current estimate, include additional academies in the Fire Department's budget as needed.

The Chief of the Fire Department should:

- 5.2 Direct financial analyst and budget staff to conduct a detailed analysis of uniformed employee retirement data as part of a rolling five-year hiring plan, by using improved data on potential retirements and other separations. Consistent with other recommendations in this report, incorporate the results of this analysis into multi-year hiring and recruitment plans.
- 5.3 Report to the Fire Commission on succession and strategic planning efforts to ensure transparency and accountability.

Costs and Benefits

Implementation of these recommendations, which would enable the Department to make more accurate budget projections over time, would result in no additional cost to the Department. While the City would incur new costs if the Mayor includes additional academies in the Fire Department's budget due to an increase in retirements and the need to hire new uniformed staff, the City would benefit from the long-term investment in hiring and training new uniformed staff to replace retiring staff.

6. Use of Overtime to Ensure Minimum Staffing

- The Fire Department's overtime has increased by 90.5 percent, from \$21.0 million in FY 2009-10 to \$40.1 million in FY 2012-13. The Department has used overtime rather than fill vacant positions because overtime can be less costly than permanent positions when paid time off and benefits are factored into the position costs. The Department also uses overtime to backfill positions that are absent due to sick leave, vacation and other absences.
- The Department's annual budget understates the number of permanent staff and overstates the number of overtime staff required to meet minimum daily staffing levels. The Department's FY 2013-14 budget assumes that of the 297 uniformed staff required to meet minimum daily staffing levels, approximately 241 are permanent staff and 56 are overtime staff. However, over the past two fiscal years, the Department required on average 274 permanent staff and 23 overtime staff to meet the minimum daily staffing requirement of 297. Although increasing permanent salaries and reducing overtime in the annual budget to meet actual staffing levels would result in a net increase of 2.3 percent, the increase corrects for historical under-budgeting of permanent uniformed positions. Increasing permanent positions and reducing overtime also provides for more predictable staffing levels, and reduces reliance on mandatory overtime and the Department's risks for increased workers compensation, disability, sick leave and other costs associated with high overtime use. In addition, it provides increased access to these highly-coveted, well-compensated public positions.
- The Department overspent budgeted overtime in the past two years, requiring the Board of Supervisors to re-appropriate funds from permanent salaries to overtime: \$5.6 million in FY 2011-12 and \$4.5 million in FY 2012-13. The increased overtime compared to permanent salaries was due in large part to more retirements than anticipated in the budget. The Department needs to more effectively anticipate the number of retirements and other separations and develop a plan to hire for vacant positions, as recommended in Section 5.
- The Department has significantly higher overtime use during summer and other months when a large number of uniformed staff schedule vacations. The Department needs to work with the San Francisco Firefighters Union to ensure that uniformed staff vacation time is more evenly distributed over the course of the year, reducing the high use of overtime during the summer and other months of high vacation.

The San Francisco Fire Department made a conscious decision to keep authorized positions vacant during the past several years in an attempt to contain the total cost of operations (i.e., suppression and emergency medical services). This approach was based on an analysis prepared by the Department for purposes of estimating budget needs, showing that overtime is less costly than the productive cost of full-time employees due to the cost of benefits for full-time personnel and the need to factor-out sick, vacation and other types of leave taken by full-time employees when determining their availability for work.

The Fire Department's overtime use department-wide has grown by 90.5 percent from FY 2009-10 through FY 2012-13, exceeding \$40 million in FY 2012-13, as shown in the following table. Fire suppression and emergency medical services accounted for most of the overtime, due in large part to an increase in vacant positions. In the past two fiscal years, the Board of Supervisors re-allocated funds in the Department's budget from permanent salaries to overtime salaries during the fiscal year for the Department to meet its overtime expenditures: \$5.6 million in FY 2011-12 budget and \$4.5 million in FY 2012-12.

Table 6-1
Annual and Total San Francisco Fire Department Overtime Expenditures
By Division for the Period FY 2009-10 through FY 2012-13

DIVISION	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Four Year Increase/ (Decrease)	Percent
Operations	\$18,787,462	\$25,674,869	\$30,525,046	\$37,478,628	\$18,691,166	99.5%
Fire Prevention	685,625	837,097	809,439	999,060	313,435	45.7%
Fire Investigation	100,665	97,965	120,126	79,541	(21,124)	(21.0%)
Communications	272,408	223,698	288,630	291,620	19,212	7.1%
Administration & Support	698,877	594,899	593,901	773,166	74,289	10.6%
Other ¹	503,244	307,129	309,531	474,294	(28,950)	(5.8%)
TOTAL	\$21,048,281	\$27,735,657	\$32,646,673	\$40,096,309	\$19,048,028	90.5%

Source: Fire Department

¹Includes Training, NERT (Neighborhood Emergency Response Team), and AWSS (Auxiliary Water Supply System)

Legislative and Administrative Controls on Overtime

The Administrative Code places an overtime cap of 25 percent of scheduled hours. In 2008, the Board of Supervisors approved an ordinance, amending the Administrative Code, to allow City departments to administratively exceed the overtime caps for major emergencies or disasters, and the Department of Human Resources (DHR) to exempt City departments from the overtime cap due to critical staffing shortages, as shown in the following table.

Table 6-2
Historical Overtime Caps and Exemptions FY 2009-10 through FY 2012-13

	Overtime Limit (Hours)	Overtime Percent Annual	Exemption Granted	Maximum Overtime Hours	Maximum Overtime Percent Annual
Scheduled Hours per Year	2,543				
Effective Date of Overtime Cap					
August 5, 2008 Administrative Code Section 18.3-1	760	30%	Yes	No limit	No limit
September 13, 2011 Administrative Code Section 18.3-1 (Revised)	633	25%	Yes	No limit	No limit
February 7, 2013 SFFD Policy			Yes	1,100	43%

The Department received an overtime cap exemption from DHR in each of the four years reviewed for this audit due to "critical staffing shortages" in the Fire Department in each year. Up until February 7, 2013, DHR did not impose upper limits on the number of hours that uniformed employees could work, allowing some employees to earn significant overtime. In April 2013, after being notified of the upper limit of 1,100 hours per employee imposed by DHR, the Department revised its policy. The upper limit in effect at the time of this audit allows uniformed suppression employees to work an additional 43 percent of a normal scheduled work year as a result of the exemption and implementation of the 1,100 hour cap.

Impact of DHR Exemptions and Department Practices on Overtime Hours

The Department's high demand for overtime has resulted in high overtime hours by some uniformed employees in suppression. Based on data compiled by the Department for the five calendar years 2009 through 2012, the top ten H2 Firefighter overtime earners worked overtime hours ranging on average from 158 percent to 193

percent (or nearly double) of a full time equivalent position (productive hour basis¹). In 2013, through September 25, the top ten earners worked an average of 158 percent of FTE productive hours.² The following table provides the data on the top 10 earners in each of these five years.

Table 6-3
Top Ten H2 Firefighter Overtime Earners
Calendar Years 2009 through 2013, as of September 25

Rank Order	2009	2010	2011	2012	2013
1	1,441	1,397	1,496	2,200	1,330
2	1,434	1,195	1,448	2,096	1,294
3	1,392	1,160	1,424	2,088	1,177
4	1,236	1,157	1,400	1,860	1,152
5	1,260	1,119	1,404	1,692	1,148
6	1,242	1,069	1,396	1,680	1,080
7	1,229	1,056	1,368	1,632	1,040
8	1,224	1,046	1,368	1,604	1,032
9	1,186	1,032	1,350	1,600	1,028
10	1,176	1,024	1,344	1,594	1,024
AVERAGE	1,282	1,125	1,400	1,805	1,130
% OF FTE	166%	158%	172%	193%	158%

Worker and Public Safety Concerns

Various professional publications warn against excessive firefighter and emergency medical worker overtime, which can increase worker injury, stress-related medical conditions, and on-scene accidents and/or errors due to fatigue and diminished judgment. For firefighters, who work 24-hour shifts and are frequently called to emergencies, preventing uninterrupted sleep during work hours, this can be particularly problematic. According to available literature, when excessive overtime is worked, health and safety problems due to fatigue and sleep deprivation can become more acute.³

In a 2008 article appearing in *Fire Chief* magazine, the author made the following observations:

¹ "Productive hours" equates to approximately 1,933 hours per year, after deducting average hours used for vacation, sick and other categories of leave, including hours assigned to Temporary Modified Duty (TMD).

² These hours are shown on a calendar year vs. fiscal year basis. According to the Department, on July 1, 2013, the overtime hour limit for individual employees was "reset" and no employee has exceeded the 1,100 hour cap in the current fiscal year.

³ International Association of Fire Chiefs, *Effects of Sleep Deprivation on Firefighters and EMS Responders, Final Report*, June 2007.

No matter what the shift rotation, departments run into situations where employees choose, or the employer mandates, continuous work hours . . . And, including shift-trade hours in continuous-work policies has the potential for trouble.

A weakness in the constant-staffing model is its susceptibility to over-work employees if department staffing is not managed. That is, too many vacancies drive more overtime as employees begin to de-select from voluntary overtime or use leave on regularly scheduled shift days in order to recover from too much overtime. **The anecdotal assessment seems to be that if vacancies are over 5% of the total staffing level, overtime will drive more overtime** (Emphasis added).⁴

In other words, extensive continuous work hours – which the author suggests can run 72, 96 or 120 hours without time off, not including additional shifts that the employee may choose to work through the shift trading process – occur frequently in the profession. For example, the H2O Lieutenant who was the high overtime earner in 2012 would have worked an average of 10 additional 24-hour shifts per 31 day rotation (i.e., 19 total shifts instead of the 9 shifts normally scheduled). Further, the observation that vacancy rates exceeding 5 percent of total staffing drives additional overtime is particularly relevant in San Francisco. Based on analysis of documentation provided by the Department, the vacancy rate in core suppression positions as of May 2013 was approximately 21 percent.

We did not identify any statistical trends that suggest the Department is currently experiencing any of the bad effects from recent policies.⁵ However, current stable trends in worker injury, illness and accident experience could be influenced by the retirement of older employees in recent years, who are disproportionately affected by the medical conditions related to stress (e.g., cardiovascular, hypertension, elevated cholesterol and musculoskeletal conditions).⁶ Further, many of the medical conditions that result from sleep deprivation and the character of the work firefighters perform do not surface for years. As a result, many states and local governments – including California – have established laws and adhere to the premise that the higher incidence of such conditions can be presumed to be the result of working in public safety, generally. This presumption influences, and in some instances mandates, decisions related to workers compensation awards, eligibility for disability retirement and retirement eligibility ages for public safety workers.⁷ Accordingly, the City should be cautious as it balances its hiring policies and cost savings initiatives against worker and public safety concerns.

⁴ Bruce Martin, Fire Chief, Fire Chief Magazine, *Staffing Choices*, March 1, 2008

⁵ Analysis of workers compensation and temporary modified duty data shows that the rate of absenteeism from regular duties has averaged approximately 6.4% of employed personnel for job related medical and injury conditions, stabilizing at approximately 6.0% in FY 2011-12 and FY 2012-13.

⁶ Ibid

⁷ California Labor Code, Section 3200 to Section 3219, Workers Compensation; and, California Government Code Section 31720 to Section 31755.3, Disability Retirement.

Identifying an Appropriate Level of Staffing in Fire Departments

While achieving budget savings during the years when the City was experiencing budget shortfalls was a reasonable goal, this strategy has likely had an impact on workers and potential future costs associated with the significant overtime being worked by suppression personnel. With the 1,100 hour annual cap on overtime and the implementation of mandatory overtime if volunteers have exceeded the cap, the long-term effect on the general workforce could be significant.

The Fire Department sets its daily suppression staffing level at 297 uniformed employees (the minimum defined by Proposition F). This approach assumes that a constant number of uniformed staff will be scheduled daily and overtime will be used when insufficient regular staff are scheduled due to sick leave, vacation and other absences. The Department's approach to staffing has been distorted in the past several years due to the high number of vacancies. The Department does not have formal targets to determine the required number of permanent uniformed to meet its daily staffing level.

The following table shows the number of additional staff required each day to back fill absences and meet the daily staffing level of 297 uniformed staff in suppression.

Table 6-4
Minimum Staffing Requirements Based on San Francisco Fire Department's 2011 and 2012 Pattern of Relief Requirements

Average Rate of Absences	Number of Weeks in 52-Week Period at this Rate of Absences	Minimum Staffing Requirements	Number of Additional Staff Required to Backfill Absences	Total Number of Staff Required	Required FTEs to Meet Minimum Staffing Levels ¹
23%	0	297.00	68.31	365.31	1,258.29
22%	2	297.00	65.34	362.34	1,248.06
21%	9	297.00	62.37	359.37	1,237.83
20%	17	297.00	59.4	356.40	1,227.60
19%	9	297.00	56.43	353.43	1,217.37
18%	8	297.00	53.46	350.46	1,207.14
17%	5	297.00	50.49	347.49	1,196.91
16%	1	297.00	47.52	344.52	1,186.68
15%	1	297.00	44.55	341.55	1,176.45

¹ Because suppression personnel work 24-hour shifts, the Department needs to budget approximately 3.44 FTEs for each staff assignment required to meet minimum daily requirements.

This table illustrates the distribution of the average rate (percentage) of daily absences by uniformed personnel in suppression for 2011 and 2012 and the number of weeks per year at these average rates of absences. For example, in the 52 week period, the Department had one week in which daily absences averaged approximately 15 percent of staff assigned each day. For the remaining 51 weeks, daily absences exceeded 15 percent on average.

If the Department were to have sufficient permanent staff to meet the 297 minimum daily staffing requirement, plus backfill absences that equal 15 percent of staff, the Department would need to staff approximately 342 positions per day and employ approximately 1,176 full time positions. Because the average rate of absences exceeded 15 percent for 51 of 52 weeks, the Department would need to use overtime to meet minimum daily staffing requirements on days when absences exceed 15 percent of permanent staff.

Conversely, if the Department were to target a higher rate of absences (such as 20 percent absence rate, which the Department experienced for 17 of 52 weeks), the Department would be overstaffed on days when the absence rate was less than 20 percent.

Because daily relief required to replace personnel on vacation, sick and other types of leave rarely fell below 15 percent of total staff hours in the two years reviewed, the most cost effective number of baseline uniformed suppression personnel should be set at 1,176 with absences backfilled through the use of overtime. This should be annually evaluated and adjusted to account for (a) changes in minimum staffing requirements [i.e., due to the opening of new fire stations], and (b) significant changes in relief experience. By setting staffing at this level, the Department would be better able to balance fiscal concerns with public and worker safety needs.

Costs for Ongoing Salaries and Benefits

In FY 2013-14, the Department budgeted for 1,037.64 FTEs to meet minimum daily staffing requirements, as shown in the table below.

Table 6-5
Comparison of FY 2013-14 Department Budget and Audit Recommendation

	FY 2013-14 Budget	Audit Recommendation	Variance
Budgeted FTEs	1,037.64	1,176.45	138.81
Number of Permanent Staff per Day	241.45	273.75	32.30
Number of Overtime Staff per Day	<u>55.55</u>	<u>23.25</u>	<u>(32.30)</u>
Total Staff per Day	297.00	297.00	0.00

The Department will experience additional costs associated with the differential between the cost of overtime and the cost for full time personnel on a productive hourly basis, with benefits. The table below provides a comparison of the cost for these two categories of work by an H2 Firefighter at Step 5.

Table 6-6
Comparison of Regular and Overtime Hourly Pay

	Hourly Pay	
	Regular Rate	Overtime Rate
H2 Firefighter 5th Step		
Premium Pay	\$2.66	\$3.99
Holiday Pay	2.88	
Subtotal Hourly Pay	49.84	70.44
Medicare	0.72	1.02
Retirement	10.13	
Health Insurance	0.95	
Dependent Health	4.23	
Dental	0.64	
Unemployment	0.12	
Other		
Subtotal, Hourly Benefits	16.79	1.02
Total Hourly Pay and Benefits	66.63	71.46
Productivity Factor	<u>X 1.20</u>	<u>X 1.00</u>
Adjusted Hourly Rate	79.96	71.46
Over (Under)	0.00	(8.50)
Percent Over (Under)	0.0%	(10.6%)

Although the hourly rate for permanent staff is 10.6 percent higher than for overtime staff, the increase in the budget would only be 2.3 percent higher because of savings in total overtime costs, as shown in the table below.

Table 6-7
Comparison of Replacing Overtime with the
Full-Time Suppression Employees

	FY 2013-14 Budget	Audit Recommendation	Variance	Percent
Permanent Staff Salary, Premium Pay and Fringe Benefits	\$187,652,523	\$213,014,215	\$25,361,693	13.5%
Overtime Salary and Fringe Benefits	34,729,958	14,535,076	(20,194,882)	(58.1%)
Total	\$222,382,481	\$227,549,291	\$5,166,811	2.3%

Estimating the Need for Suppression Staff

The Fire Department has developed a good methodology for estimating the rate of absences for uniformed employees and percent of positions that will need to be backfilled each day by other permanent positions or overtime (or "relief factor"), which incorporates best practices in large fire departments. These practices include:

- Well-defined minimum staffing requirements for fire suppression;
- Daily data on the use of all major categories of leave taken by its uniformed personnel, such as vacation and sick leave, which the Department evaluates to determine the amount of relief that will be necessary to backfill for personnel who may be absent; and
- Annual adjustments to the budget based on estimates of new hires (driven by the number and size of academies) and separations from employment based on the Department's records of total available staffing.

The Department uses this information to make reasonably informed decisions on the amount of overtime necessary to meet minimum staff requirements.

However, the Department's actual permanent and overtime staffing varied from the budget in FY 2011-12 and FY 2012-13, resulting in significant overspending in overtime and underspending in permanent salaries, as noted above. According to the Budget and Legislative Analyst reports on the re-appropriation of Fire Department funds from permanent salaries to overtime in FY 2011-12 and FY 2012-13, the increased overtime

compared to permanent salaries was due to a larger number of retirements than anticipated in the budget. As shown in the following table, the number of retirements decreased from FY 2009-10 through FY 2012-13, which should allow more predictability in budgeting for vacancies.

Table 6-8
Reduction in Retirements from FY 2009-10 through FY 2012-13

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Percent Change
Retirements	60	56	38	29	(52%)
Other Resignations	<u>11</u>	<u>12</u>	<u>10</u>	<u>14</u>	<u>27%</u>
Total Retirements and Resignations	71	68	48	43	(39%)

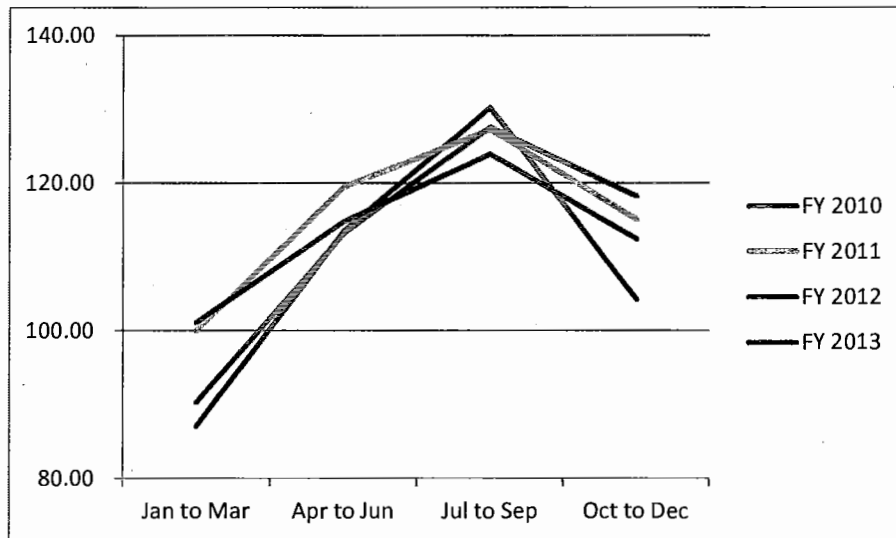
Source: Fire Department

The analysis recommended in Section 5 (Recommendation 5.2) should also be directed toward annual budgeting for retirements to increase predictability in uniformed staffing.

Seasonal Variations in Patterns of Vacation Leave

The memoranda of understanding with the San Francisco Firefighter Union outline procedures followed by the Department to ensure uniformed employees are given an opportunity to sign-up for vacation days based on seniority in rank. In addition, procedures exist for uniformed employees to request Intermittent Daily Vacation hours on days other than those for which they have been authorized to take-off as part of the Department's annual vacation sign-up process. Further, uniformed employees are able to "shift trade" with other uniformed employees to modify or extend their vacation. The dynamics of these processes result in an uneven distribution of vacation leave during the year, as illustrated in the exhibit, below.

Exhibit 6-1
Vacation Use Patterns for Uniformed Employees, FY 2010 – FY 2013



As shown in the exhibit, employees in the Department use vacation most heavily in the summer months from July to September. This uneven distribution of vacation usage makes it difficult to project relief staffing needs over the course of the year; and, increases the probability that projections of year-end overtime expenditures might be inaccurate.

Employees are entitled to vacation and it is clear from the data that management tries to accommodate the requests that it receives. Yet these uneven demands, which can swing by as many as 40 FTE positions between the heaviest and the lightest usage months, can make managing overtime to backfill for time off difficult. To the extent the Department can work with the San Francisco Firefighter Union to ensure that uniformed employee vacation usage occurs more evenly during the year, the ability to project patterns of vacation use and better manage overtime and relief costs will be enhanced.

Conclusions

The Department does not have a specific target for the percent of uniformed positions that must be backfilled each day due to sick leave, vacations, and other absences. Developing a specific target would allow the Department to better budget for the number of permanent and overtime positions to meet minimum staffing requirements. Setting the target to backfill absences at 15 percent of daily staff would

allow the Department to meet minimum staffing requirements without overstaffing, but would require overtime to meet minimum staffing requirements when uniformed staff absences exceed 15 percent.

The Department also needs to plan better for retirements and vacation schedules. The Department exceeded its overtime budget for uniformed staff in FY 2011-12 and FY 2012-13, requiring the Board of Supervisors to re-appropriate funds from permanent to overtime salaries. A larger than predicted number of retirements each year and uneven distribution of vacations contributes to the excessive use of overtime.

Recommendations

The Chief of the Fire Department should:

- 6.1 Establish a minimum full-time staffing level target of 1,176 uniformed personnel for suppression, to be supplemented by overtime for relief.
- 6.2 Work with the San Francisco Firefighter's Union to identify policies and processes to more evenly distribute vacation use patterns during the year, in order to minimize projection inaccuracies and the unnecessary use of overtime during periods of the year.

Costs and Benefits

Setting a staffing target to meet minimum daily absences of 15 percent would result in a 2.3 percent increase in the budget, or \$5.1 million per year. The benefit is more predictable suppression staffing and reduced reliance on overtime, especially mandatory overtime; and reduced risks for increased workers compensation, disability, sick leave and other costs associated with high overtime use. Additionally, increasing permanent positions would provide greater access to these well-compensated public jobs.

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

Recommendation Priority Ranking

Based on the management audit findings, the Budget and Legislative Analyst has made 19 recommendations which are ranked based on priority for implementation. The definitions of priority are as follows:

- Priority 1: Priority 1 recommendations should be implemented immediately.
- Priority 2: Priority 2 recommendations should be completed, have achieved significant progress, or have a schedule for completion prior to June 30, 2014.
- Priority 3: Priority 3 recommendations are longer term and should be completed, have achieved significant progress, or have a schedule for completion prior to December 31, 2014.

Recommendation Priority Ranking

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

	Recommendation	Priority	Department Response (Agree/ Disagree)	Department Implementation Status/ Comments
	The Chief of the Fire Department should:			
1.1	Ensure that all major policy decisions made by the Department – particularly with regard to hiring and selection - are documented in writing.	1	Partially Agree	The Department will continue to document its policies in writing, but not necessarily all its policy decisions, because not all lend themselves to such documentation.
1.2	Ensure that resources are sufficiently allocated between the two service functions, in order to protect critical revenue sources, such as those available through the EOA and GEMT.	2	Partially Agree	The Department disagrees with the audit report’s characterization that Fire and EMS are two distinct parts. In actuality, these two functions are closely linked both operationally and fiscally. The Department’s continuing goal is to allocate its resources in the most efficient way toward the fulfillment of its mission statement, particularly as it relates to life safety and protection.
1.3	Ensure that recruitment responsibilities have been sufficiently clarified between DHR and the Fire Department.	1	Disagree	Both DHR and the Fire Department are clear on its recruitment responsibilities. The Fire Department will continue to utilize its employee groups for targeted recruitment, since the City cannot legally conduct such. Additionally, the Fire Department will continue to conduct mail outreach to community groups and use its website and social media accounts to promote/highlight entry-level hiring information.

Recommendation Priority Ranking

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

	Recommendation	Priority	Department Response (Agree/ Disagree)	Department Implementation Status/ Comments
	The Fire Commission:			
1.4	Ensure that all public meetings are recorded and archived.	2	Disagree	The Fire Commission records its meetings and keeps audio files and verbatim transcripts prepared by a certified reporting company in the Fire Commission Office. The audio files and transcripts are readily available for any member of the public.
1.5	Consider relocating meetings to City Hall to encourage greater public participation.	2	Disagree	It is vital that the 11 members of the Department's Command Staff, who are required to attend Fire Commission meetings, be close to the Department's Emergency Communications Center located at Headquarters in the event of an emergency.
	The Chief of the Fire Department should:			
2.1	Instruct appropriate staff to develop a continuous recruitment/outreach strategy and plan with measurable goals and objectives, plan monitoring and reporting and a timeframe that includes coordination with employee groups, no later than June 30, 2014.	2	Partially Agree	Due to funding reductions over the last several budget cycles, the Department has become severely short-staffed in administrative personnel, both civilian and uniformed. Thus, its first step toward this recommendation is to identify staff who could perform recruitment functions, without impacting staff's current voluminous workload. In order to achieve the full spectrum of recruitment activities, the Department may need funding restoration for a dedicated unit.

Recommendation Priority Ranking

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

	Recommendation	Priority	Department Response (Agree/ Disagree)	Department Implementation Status/ Comments
	The Director of Human Resources should:			
2.2	Prepare and present to the Fire Chief for presentation to the Fire Commission monthly updates for the continuous testing pilot program and, at the end of the continuous testing pilot program, a summary analysis of the pilot that contains data on the number of test registrations, rate of no-shows, and pass rates broken out by race/ethnicity, gender and residence.	2	Partially Agree	The Department of Human Resources has already briefed the Fire Commission on the continuous testing program. DHR has committed to providing regular reports on the status of the continuous testing pilot to the Civil Service Commission, the body that oversees examinations. Authority over examinations, hiring and selection are reserved under the Charter and Civil Service Rules to the DHR director and appointing authority (Fire Chief), respectively. The reports will be public, and may be provided to the Fire Commission and any other agency or party of interest. The reports will not be prepared on a monthly basis, but at regular intervals once the program and associated recruitment activities have launched. Because recruitment may vary depending on outreach activities and the schedules of community partners and events, a monthly report provides too short a time period for meaningful evaluation of the program.

Recommendation Priority Ranking

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

	Recommendation	Priority	Department Response (Agree/ Disagree)	Department Implementation Status/ Comments
	The Chief of the Fire Department should:			
3.1	Clarify and publicly document any secondary criteria that will be used in the H2 selection process, and ensure that those criteria are clearly stated in job announcements.	1	Partially Agree	Provided that the information is available at the time of job announcement issuance, the Department will work with DHR to ensure that applicable secondary criteria are reflected in future H-2 Firefighter job announcements. It should be noted however, that the application of secondary criteria may change over the life of an eligible list based upon business needs of the Department.
	The Director of Human Resources should:			

Recommendation Priority Ranking

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

	Recommendation	Priority	Department Response (Agree/ Disagree)	Department Implementation Status/ Comments
3.2	Ensure that future H2 Job Announcements include all potential selection criteria, such as language skills, Fire Science training, current City employment and other academic or professional training, professional certifications. To the extent possible, the relative weight of these criteria should also be clearly stated on the job announcement.	1	Disagree	DHR already publishes the secondary criteria, which are adopted by the Civil Service Commission at a public meeting. The secondary selection criteria are not weighted and are not scored. The criteria provide flexibility for the hiring manager to make determinations about which criteria are most relevant based on the business needs <i>at the time the hiring takes place</i> . If secondary selection criteria were weighted or scored, and the determinations around how much weight to give each criterion were made in advance, the criteria themselves could be completely irrelevant, or the weight of any individual criterion could be totally different at the time of hire because the composition of the department and its business needs are continuously changing. If implemented, this recommendation would box the SFFD into a process that would be much less nimble than the current process, and would not allow the department to consider current, relevant business needs when making final hiring decisions.

Recommendation Priority Ranking

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

	Recommendation	Priority	Department Response (Agree/ Disagree)	Department Implementation Status/ Comments
3.3	Evaluate the existing H2 Firefighter (including H2P) class and H3 EMT/Paramedic/Firefighter deep class to ensure that they are appropriate to meet the Fire Department's staffing needs, and work with Chief of the Fire Department to make any necessary changes.	2	Partially Agree	DHR maintains the City's classification plan with regular updates of job descriptions and classifications based on job analyses, the introduction of new duties and technologies, and business needs. DHR will consult with the SFFD to determine whether there is a current need for an update or classification action. In the absence of significant funds to make salary adjustments, DHR typically does not recommend full-blown classification studies of job families.

Recommendation Priority Ranking

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

	Recommendation	Priority	Department Response (Agree/ Disagree)	Department Implementation Status/ Comments
4.1	Review procedures regarding promotional test development, particularly with regard to the timing of the answer key development, to ensure sufficient opportunity to identify errors with the test instrument prior to test administration.	2	Disagree	<p>DHR's process, wherein answer keys are developed simultaneously with test administration, was driven by deep-seated mistrust and suspicion among various groups within the Fire Department, which unfortunately goes back decades. Developing the answers prior to test administration has not been a viable option because of this ongoing mistrust and suspicion (i.e., suspicions that those who develop the key will share what they know about the key with others prior to administration of the test). DHR's practice of developing the answer key at the time a test is administered must be understood within this context. To the extent it helps to deter cheating, it improves the reliability and validity of the testing process. Since it is not possible for the answer key to be known prior to a test's administration, it helps to allay candidate concerns regarding test security. Consequently, DHR believes that its practice is the most prudent course of action. If an error is found with a question following the administration of the exam, that question can simply be thrown out, so the consequences of an error are minimal, while the benefits of using this method are tremendous.</p> <p>That said, DHR continues to identify and implement quality control measures to decrease the likelihood of errors in any test components.</p>

Recommendation Priority Ranking

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

	Recommendation	Priority	Department Response (Agree/ Disagree)	Department Implementation Status/ Comments
	The Chief of the Fire Department should:			
4.2	Establish a Professional Development plan that details training required for advancement at the Fire Department, including both administrative/ management and operational functions. This plan should establish baselines for skills development, including the requirement that suppression staff promoted to supervisory roles (H40 and above) acquire a basic understanding of paramedic operations in order to manage EMS staff most effectively.	3	Partially Agree	The Department will seek guidance from DHR regarding a Professional Development plan, building from its existing Career Track Guidebook. The Department disagrees that supervisory ranks at or above H-40 Battalion Chief should acquire a basic understanding of paramedic operations since clinical scene management is the responsibility of the H-33 EMS Captain rank. The majority of Suppression supervisors have EMT certifications so they already have an adequate, basic understanding of EMS. Moreover, Suppression supervisors have the knowledge and training on the operational side of scene management for both Suppression and EMS incidents.
4.3	Encourage high-ranking employees to take advantage of other available City resources for administrative and management skills-building, such as the Workforce Development courses and the City's Leadership Development Program.	1	Agree	The Department will continue to encourage all employees to avail themselves of City training resources by disseminating training calendars and training enrollment information Department-wide.

Recommendation Priority Ranking

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

	Recommendation	Priority	Department Response (Agree/ Disagree)	Department Implementation Status/ Comments
4.4	Work with DHR in its review of the Fire Department classifications (as discussed in Section 3) to analyze the Department's current promotional opportunities for the Fire Department emergency medical services employees in order to ensure equal representation in leadership roles and decision-making, and submit a report to Fire Commission by June 30, 2014.	2	Partially Agree	Classifications were created through DHR during the 1997 EMS Merger. The Department agrees to participate in a review of the EMS rank structure with DHR and provide a report to the Fire Commission regarding the results of this discussion. Currently, the Department believes that its organizational structure is appropriate to fulfillment of its Mission.
4.5	Evaluate the promotion testing timeline in the context of anticipated retirements to ensure sufficient opportunity to fill vacancies with qualified candidates.	2	Agree	This is current practice. Both DHR and the Fire Department will continue to evaluate promotional testing timelines in relation to anticipated vacancies through attrition. Since the resumption of promotional exams in 2007, the Department and DHR have been on track with testing timelines.

Recommendation Priority Ranking

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

	Recommendation	Priority	Department Response (Agree/ Disagree)	Department Implementation Status/ Comments
5.2	Direct financial analyst and budget staff to conduct a detailed analysis of uniformed employee retirement data as part of a rolling five-year hiring plan, by using improved data on potential retirements and other separations. Consistent with other recommendations in this report, incorporate the results of this analysis into multi-year hiring and recruitment plans.	2	Agree	This is a current practice. Each year during the budget process, a thorough review of retirement projections is completed as part of the overall staffing analysis. Historical retirement and separation data is reviewed, along with demographics of SFFD members to project retirements in subsequent fiscal years. This data is not only used to project staffing levels for the next two years as part of the budget, but in addition it is part of larger staffing and hiring discussions with the Mayor's Budget Office. This methodology is reviewed each year in an effort to improve its accuracy.
5.3	Report to the Fire Commission on succession and strategic planning efforts to ensure transparency and accountability.	3	Agree	Due to funding reductions over the last several budget cycles, the Department has become severely short-staffed in administrative personnel, both civilian and uniformed. Resources that were available for Planning and Research have been limited. Thus, the Department's ability to engage in Succession and Strategic Planning has been hampered. The Department would welcome funding restoration for dedicated personnel to achieve this recommendation.

Recommendation Priority Ranking

Audit of Hiring and Promotional Practices, and Overtime Use, of San Francisco Fire Department

	Recommendation	Priority	Department Response (Agree/ Disagree)	Department Implementation Status/ Comments
6.1	Establish a minimum full-time staffing level target of 1,176 uniformed personnel for suppression, to be supplemented by overtime for relief.	2	Partially Agree	The Department is not opposed to identifying a target number of overall staffing. Due to seasonality and fluctuations of staffing, a more detailed study of what that number would be is needed. Increasing staffing to a number similar to what is proposed by the report will result in significant annual costs to the Department, and as such is a discussion that goes beyond the Fire Department. In addition, increasing the staffing to the level proposed by the report would eliminate some of the Department's current fiscal and operational efficiencies.
6.2	Work with the San Francisco Firefighter's Union to identify policies and processes to more evenly distribute vacation use patterns during the year, in order to minimize projection inaccuracies and the unnecessary use of overtime during periods of the year.	2	Agree	While the Department agrees that it should continue to work with the union, it does not agree that its projections are inaccurate and cause unnecessary overtime. The Department continually works with the union on matters pertaining to Vacation, SP, and Overtime. The Department offers vacation time evenly throughout the year through its annual vacation bid. The demand for vacation from employees is what causes the unevenness. Implementing this would require the formulation of a mandatory vacation policy.

JOANNE HAYES-WHITE
CHIEF OF DEPARTMENT



EDWIN M. LEE
MAYOR

SAN FRANCISCO FIRE DEPARTMENT
CITY AND COUNTY OF SAN FRANCISCO

January 8, 2014

Severin Campbell
San Francisco Board of Supervisors
Budget and Legislative Analyst's Office

RE: Performance Audit Review of the City's Practices to Recruit, Retain and Promote Uniform Fire Staff and the Fire Department's Use of Overtime to Meet Minimum Staffing Requirements

Dear Ms. Campbell:

Thank you for the opportunity to review the draft performance audit report and for the changes that were made to the final draft based on the Fire Department's (SFFD) feedback. We appreciate the cooperative dialogue that transpired and look forward to the incorporation of the Department's responses to the audit findings and recommendations to the final report.

In support of a well-balanced audit report, the Department respectfully submits below its comments and clarifications to specific items from Sections 1 through 4. The narrative that follows reflects the Department's global comments/clarifications regarding Sections 5 and 6.

COMMENTS / CLARIFICATIONS (SECTIONS 1 THROUGH 4)

1. **Report statement:** *Despite the transfer of function from the Fire Department to DHR, there remains ongoing uncertainty between the departments with regard to responsibility for recruitment (section 1, page 1).*

SFFD Response: Both the SFFD and DHR are keenly aware of their roles and responsibilities with regards to recruitment. The SFFD continues to conduct recruitment prior to each administration of an entry-level Firefighter selection process. The last SFFD recruitment effort was for the last Firefighter testing in 2009. During that time, the SFFD met with and utilized its employee groups for targeted recruitment since it was prohibited by law (i.e., Proposition 209) to conduct such. Additionally, the SFFD produced and distributed by mail recruitment materials to local community groups for dissemination to their constituents. Moreover, the SFFD published the Firefighter job opportunity through the Board of Supervisors' outreach program. Finally, the SFFD advertised the Firefighter open application process internally via General Order and encouraged its members to circulate the information to their family, friends, acquaintances and community.

For the 2014 Firefighter selection process, the SFFD will review and improve upon its recruitment activities from 2009 and employ lawful methods of inclusive outreach.

- 2. Report statement:** *Because uniform positions in the Fire Department are well-paid public jobs, access to these jobs through recruitment, testing, entry-level hiring and promotion needs to be well understood, especially given pending lawsuits about the exam process. The Fire Department should formally document policy decisions – particularly those regarding hiring and promotion practices (section 1, page 1).*

SFFD Response: There have never been any lawsuits involving uniformed entry-level selection processes. Some promotional examinations have been the subject of legal action based on allegations of discrimination. However, there have never been any lawsuits for any SFFD entry-level or promotional process on the basis of inadequate access or unclear hiring practices.

The SFFD already documents its Departmental policies. Hiring and promotion policies are documented in Civil Service rules and DHR policies and procedures, including job announcements and candidate notification documents. Within these policies and procedures, the Appointing Officer has the flexibility and authority to apply secondary criteria and make hiring decisions based on the current needs of the Department without any requirement for formal documentation.

- 3. Report statement:** *From the 1988 termination of the consent...(section 2, page 11)*

SFFD Response: The consent decree ended in 1997, followed by a one-year stipulated order that ended in 1998.

- 4. Report statement:** *Since the transfer of some Fire Department HR functions to DHR in 2009...(section 2, page 21)*

SFFD Response: What transferred from the SFFD to DHR in 2009 was solely its testing function.

- 5. Report statement:** *Neither the use of the additional criteria collected in the survey nor the survey process itself was described in the 2009 H2 job announcement. (section 3, page 23)*

SFFD Response: The SFFD made the decision to use a qualifications survey after receiving an H-2 Firefighter eligible list in 2010 with over 5,000 candidates under a Rule of the List certification. Therefore, it could not have been published in the 2009 H-2 job announcement. The survey was conducted out of necessity and was the only practicable way by which candidates could be differentiated by the job-related qualifications they report on the survey. The Department carefully selected survey items that were relevant to the position, some of which were already identified on the job announcement (e.g., possession of EMT certification, possession of CPAT certification, Fire Science education).

- 6. Report statement:** *...the Department should make known to the public the use of all selection tools and business-related criteria, including current service in the Department... (section 3, page 23)*

SFFD Response: Current service in the Department was not meant to be a selection tool for H-2 Firefighter. Thus, it was not published in the 2009 H-2 job announcement. The selection of current SFFD employees came after Local 798's advocacy in 2011 for those employees and the

SFFD's good faith, cooperative agreement to do so. At that time, the Department only agreed to hire current SFFD employees to the 113th Fire Academy.

7. **Report statement:** *The City has taken steps to adapt the process of promotional testing in order to mitigate claims of discrimination and favoritism – specifically by relocating the function of test development and administration from the Fire Department back to the Department of Human Resources (DHR), where it had resided prior to the consent decree, and by redesigning the test development process to include the participation of external test consultants and subject matter experts. (section 4, page 33)*

SFFD Response: The relocation of the Fire Services Exam Unit to DHR was not done to mitigate claims of discrimination and favoritism in the Department. Uniformed examinations were "re-centralized" at DHR, and eventually came under the umbrella of the Public Safety Team, to achieve greater operational efficiencies through greater interoperability among those employees and resource-sharing. (section 1, page 3)

The participation of external test consultants and subject matter experts during the test development process is not a "redesign." These practices have been in place since the Consent Decree.

8. **Report statement:** *In response to claims that certain candidates had received test answers in advance of exams, DHR implemented a practice to create answer keys at the same time that candidates actually take the test. (section 4, page 34)*

SFFD Response: This practice of developing answer keys simultaneous to test administration was conceived, approved and implemented under the Consent Decree, and has continued since.

9. **Report statement:** *...it is essential that the Fire Department paramedics receive support and guidance from sufficiently trained supervisors who understand their work and its challenges, and who can best provide day-to-day direction and leadership. (section 4, page 36)*

SFFD Response: Department Ambulance personnel (Level 1 EMTs and Level 2 Paramedics) do receive clinical support and guidance in the field from H-33 EMS Captains, all of whom possess a Paramedic license at a minimum. It is the rank of H-33 that has the responsibility for clinical supervision and management of EMS personnel at a medical incident. Station 49, the static work location at which Ambulance personnel report on and off duty, is also staffed and supervised by an H-33. Thus, these employees do receive day-to-day direction and leadership from a trained supervisor.

The role of Suppression Officers in relation to Ambulance personnel is limited to operational scene management, for which they are sufficiently trained. Suppression Officers do not need clinical EMS expertise to perform their responsibility.

OVERTIME/SUCCESSION PLANNING

In recent years, the Fire Department has utilized a staffing model that has placed a greater emphasis on the use of overtime to meet minimum staffing requirements. This has caused a lower overall FTE count, but has resulted in operational efficiencies while at the same time savings to the City of millions of dollars annually. The Budget Analyst reviewed the Department's staffing model and methodology as a portion of its report and audit of the Department.

While the Department disagrees with some of the methodology used by the Budget Analyst in its report, it does agree with the main conclusions reached by Budget Analyst in its audit. The first conclusion that the Department is in agreement with the Budget Analyst on is that the cost of overtime is cheaper as compared to the cost of regular pay. As the Department has been faced with pressure for cost savings in light of the economic downturn of the past few years, the financial efficiencies of overtime have resulted in substantial annual savings for the Department and the City.

In addition, the Department is also in agreement with the Budget Analyst that there would be a sizeable cost to the City on an annual basis to increase the Department's FTE count to the levels suggested in the report. Due to an increase in retirements over the past few fiscal years, the Department has seen its staffing levels drop to lower than anticipated levels. While this has resulted in cost savings for the Department, this has also resulted in an increase in the use of overtime, and the Department has been forced to make use of mandatory overtime in certain instances. The Department has worked with the Mayor's Office in the past with regards to its staffing levels to address this issue, and will continue to do so in the future to address this issue. The Mayor's Public Safety Hiring Plan, initiated in 2012, has allowed the Department to begin addressing these concerns.

The Budget Analyst report also addresses legislative and administrative controls on overtime as it pertains to changes in the City's Administrative Code. These changes set to establish a maximum number of overtime hours that an individual employee can work in a given fiscal year. Due to the unique schedule and minimum staffing requirements it has, the Fire Department was granted exemptions to the 25% overtime cap ordinance by the Department of Human Resources. As the Department's FTE staff has decreased in recent years, the number of members granted this exemption, as well as the number of overtime hours worked, has increased. Overtime is used in the fire service quite frequently, not just with the SFFD but with many other jurisdictions, due to its savings and efficiencies. The Department is constantly monitoring the level of overtime worked by employees, and has collaborated with the Department of Human Resources as well as Local 798 to develop a hard cap on individual overtime. In April 2013, a hard cap of 1,100 hours per Fiscal Year was implemented. The Department believes this is sufficient to allow for flexibility to cover its operational needs.

The Budget Analyst report also addresses a need for improved succession and strategic planning. These issues are of high priority for the administration, and are absolutely concerns for the Department. However, this comes down to an issue of resource availability for the Department. Given the economic and budgetary pressures the Department has been under over the past several budget cycles, the Department has seen its administrative staff and resources reduced dramatically in recent years, including both civilian and uniform positions. These funding reductions have severely reduced the Department's planning efforts, and while they may be workable on a temporary basis, the cuts are not sustainable. The Department will continue to work with the Mayor's Office on solutions to these issues.

I would like to commend your staff for the thorough and professional work they performed in conducting the Fire Department audit. We will utilize the resulting findings and recommendations to assist our continuing efforts to improve in the areas addressed by the audit.

Sincerely,


Joanne Hayes-White
Chief of Department

Enclosure



January 3, 2014

To: Séverin Campbell
Office of Budget and Legislative Analyst
San Francisco Board of Supervisors

From: Micki Callahan
Human Resources Director

Re: Response to the report entitled *Performance Audit of the City's Practices to Recruit, Retain and Promote Uniform Fire Staff*

The Department of Human Resources (DHR) has received and reviewed the report entitled *Performance Audit of the City's Practices to Recruit, Retain and Promote Uniform Fire Staff*, prepared by the Board of Supervisors' Office of Budget and Legislative Analyst.

We thank the Office for its attention to the important issues included in this report, and for its consultation with DHR on the complex factors involved in such an analysis. However, DHR strongly disagrees with a number of statements, conclusions, and recommendations contained in the final report, as noted below:

- 1. Report statement:** *Despite the transfer of function from the Fire Department to DHR, there remains ongoing uncertainty between the departments with regard to responsibility for recruitment (section 1, page 1).*

DHR response: There is no uncertainty between the San Francisco Fire Department (SFFD) and DHR about recruitment responsibilities. DHR designs and administers the examinations, with the assistance of departmental subject matter experts (SMEs). The SFFD has primary responsibility for recruitment and outreach, with assistance from DHR. This is consistent with the practice for all public safety exams administered by DHR. Specifically, DHR writes and publishes job announcements and receives applications from candidates. The public safety departments themselves are responsible for outreach, solicitation of interest, and identification of potential candidates.

DHR uses its website, social media, community lists, etc. to provide open exam information to the community. Additionally, for the new continuous testing process set to begin in 2014, DHR has committed to working with employee groups to create recruitment materials and help promote the new testing method. SFFD continues to be responsible for direct engagement with potential candidates and the community.

While DHR agrees that recruitment functions for the SFFD can be improved, and has a plan to work more proactively with employee groups to recruit within the community, many statements on this subject within the report are not supported by any facts. For example, on page 1-3, the report states that, "*Recruitment responsibilities for the Fire Department must be defined to ensure proper accountability.*"

Failure to do so has allowed the function to disappear, which threatens the ability of the City to recruit a diverse workforce and provide equal access to these highly coveted public service jobs.”

The report's assertion that the ability to recruit a diverse workforce has been threatened by a perceived lack of clarity over who is responsible for recruitment is unsupported. In fact, as the demographic data demonstrate, the City has done a tremendous job in maintaining and improving the diversity the SFFD following the end of the consent decree in 1997.

It should also be noted that since there has not been an entry-level fire examination since 2009, there has been no opportunity for either the SFFD or DHR to engage in recruitment activities. Engaging in recruitment activities when there is no exam within the foreseeable future would be a waste of public resources, and would potentially dishearten or disenfranchise likely candidates. The “disappearance” of the recruitment function is related to the periodic nature of the previous entry-level examination, rather than a lack of accountability by either department. The new continuous testing model for entry-level hiring will provide a greater opportunity for effective and ongoing recruitment efforts.

2. **Report statement:** *Because uniform positions in the Fire Department are well-paid public jobs, access to these jobs through recruitment, testing, entry-level hiring and promotion needs to be well understood, especially given pending lawsuits about the exam process. The Fire Department should formally document policy decisions – particularly those regarding hiring and promotion practices (section 1, page 1).*

DHR response: To be clear, entry-level exams have **never** been the subject of a lawsuit. Therefore, it is misleading to imply that an alleged lack of clarity has led to lawsuits. All three lawsuits filed since the expiration of the consent decree relate to promotional exams. Only one of those cases resulted in a finding against the City, a finding the City intends to challenge in post-trial motions and on appeal. In that case, the plaintiffs contend they have been the victims of age discrimination. A second case, involving claims of race discrimination, was decided in the City's favor and was appealed by the plaintiffs. The third case has yet to be decided by the trial court. Hiring criteria are spelled out in the job announcement, a detailed document that tells candidates exactly what they need to know to be successful in the examination and hiring process.

3. **Report statement:** *The Director of Human Resources has stated in a presentation of the continuous testing model to the Civil Service Commission that DHR would increase recruitment efforts in the event that the eligible list formed through continuous testing does not include a diverse pool of eligible candidates, but did not provide details as to what the recruitment plan would contain.*

The impact of the continuous testing model on the applicant pool will not be known until the new model is in place and begins to accept applicants. In the interim, the Fire Department should develop a recruiting strategy and plan that acknowledges the prospect that San Francisco residents, including residents in minority communities, will compete with a large number of applications from outside of San Francisco (section 2, page 19).

DHR Response: The Human Resources Director did not specify the measures that would be taken in the event the continuous testing program does not yield a diverse candidate pool, because the measures

will necessarily be based on the problem area to be identified. For example, a shortage of Asian candidates might indicate a need to increase outreach to various Asian community groups and publications.

We have good reason to anticipate success in our recruitment efforts, however, and not just because of the vendor's experience in other agencies. Our first few months of continuous testing for police officers have yielded a diverse applicant pool, and there is no reason to expect a different result for firefighters.

The concern that San Francisco will be effectively flooded by out-of-area job applicants with this model seems to be based on fear alone. San Francisco has always had a relatively large number of such candidates for our well-compensated positions, but the additional local requirements of the hiring process have offset those numbers.

4. **Report statement:** *Although the Department has established overlapping classifications, the Department has no formal policy on hiring existing H3 EMT/Paramedic staff into H2 Firefighter positions. Due to the changes in Fire Department classifications in recent years, DHR should evaluate the existing H2 Firefighter (including H2P) class and H3 EMT/Paramedic/Firefighter deep class to ensure that they are appropriate to meet the Fire Department's staffing needs (section 3, page 23).*

DHR Response: We disagree that overlapping classifications are problematic; in fact, they typically address a business need. It is also incorrect to say that the Department has no formal policy on hiring existing H3 staff into H2 positions. The SFFD and DHR have reached specific agreements with the exclusive representative, Local 798, as to hiring H3 employees into H2 positions. In fact, the recent tentative agreement with Local 798 contains commitments for both H2 and H3-Level III promotions from H3 Levels I and II.

5. **Report statement:** *Having multiple classifications (or designations) for the same work is duplicative and confusing. The Department of Human Resources should work with the Fire Department to clarify and as needed reclassify existing job classifications, with long-term strategic and staffing goals in mind, so that current and prospective employees at Fire Department can be assured equal opportunities (section 3, page 31).*

DHR Response: This assertion is based on the incorrect premise that overlap of duties among job classifications is somehow unusual, inappropriate, or improper. In fact, the majority of job families within the City contain classifications with overlapping duties. For example, there are more than 30 clerical titles in the City's classification plan, with varying specialties and requirements, but many common duties and characteristics. The classification plan is updated on an ongoing basis, during which process classifications may be combined, modified, or "retired," consistent with civil service requirements, changes in job duties, and business requirements.

As to the provision of equal promotional opportunities to employees, we must and do provide those without discrimination based on protected status. However, one's job classification does not constitute protected status. It is not the job of government to ensure promotional opportunities, when organizational needs do not indicate a need for promotional positions in all categories. Many job

classification series "top out" at relatively low levels, and employees who want to promote must choose to move into new fields.

6. **Report statement:** *The City agreed that to the extent allowed by law it would work towards attaining a workforce that reflects the demographic composition of San Francisco as established by the U.S. Census civilian labor force data and would make best efforts specifically to maintain 10 percent female representation in the sworn workforce. Civil Service Commission rules require DHR to report annually to compare the City's workforce with the available workforce by race/ethnicity and gender. DHR bases their analysis on "labor market availability" by race/ethnicity and gender in defined occupational categories and in selected job classes. The DHR analysis results in different labor pools for different occupations (i.e., the labor market availability for police differs from the labor market availability for fire). The Budget and Legislative Analyst used total City population, which represents the diversity of the City as a whole, rather than the more restricted labor market availability analysis (section 3, page 24).*

DHR response: The correct comparator is the available labor market. The 1987 consent decree required the SFFD to achieve a workforce of 40 percent minorities and 10 percent women. The consent decree, upon which the auditors place a great deal of weight, very clearly identifies the **available labor market** as the appropriate pool against which to measure San Francisco's diversity in hiring. Moreover, the consent decree no longer applies, and there have been countless changes in the legal landscape in the intervening years since its expiration. These changes include Prop 209 and the Supreme Court's *Ricci* decision, which expressly prohibit us from taking race into consideration in hiring.

Nevertheless, San Francisco continues to not only meet, but to exceed those historical goals, as the SFFD workforce is currently comprised of 52 percent minorities and 16 percent women. These individuals have achieved their positions not by virtue of race or gender, but by their ability to demonstrate that they have the skills and abilities to succeed on the job.

In addition to what the consent decree, the stipulated order, and case law laid out as the appropriate comparator, the federal Equal Employment Opportunity Commission (EEOC) requires the City to compare department representation in entry level classifications to the **available labor market** to measure compliance with federal laws and regulations. The EEOC, the Employment Litigation Section of the Civil Rights Division at the Department of Justice, the Office of Federal Contract Compliance Programs at the Department of Labor, and the Office of Personnel Management all sponsor this EEO data reporting. This data helps determine how more than \$400 billion in federal and state funds are distributed each year. The City and the SFFD are evaluated by this data and receive significant federal and state funds for protective service programs.

It is entirely unrealistic to evaluate San Francisco's workforce diversity by relying on general demographics, while ignoring key factors such as applicant qualifications and availability. The "total City population" used in this report includes people who are not in the labor force at all, or who are ineligible by virtue of age, disability, or other factors. Therefore the appropriate comparison, the one utilized by every agency and relied upon by the courts, is that of the **available labor market**.

The report specifically identifies Asians as an example of the SFFD's "diversity failings." However, when the labor market of Asian/PI (Asian and Filipino) individuals available for entry level firefighter positions (18.99 percent) is compared to the SFFD's Asian/PI entry level employees (26.52 percent), it is clear that SFFD is not only complying with the historical requirements of the consent decree and stipulated order, but that it is head and shoulders above the majority of the country when it comes to the diversity of its fire department.

This success comes in spite of the fact that Proposition 209 precludes the City from using quotas or considering race in recruitment, hiring, or promotional practices.

DHR believes the best way to continue to promote diversity going forward is to (1) continue providing the Fire Chief with the flexibility to apply business-related criteria when hiring candidates using Rule of the List; and (2) to use the recently-approved continuous testing model, which aligns recruitment efforts for underrepresented groups with testing opportunities.

7. **Report statement:** *Ensure that future H2 Job Announcements include all potential selection criteria, such as language skills, Fire Science training, current City employment and other academic or professional training, professional certifications. To the extent possible, the relative weight of these criteria should also be clearly stated on the job announcement (section 3, page 32).*

DHR response: DHR already publishes the secondary criteria, which are adopted by the Civil Service Commission at a public meeting. The secondary selection criteria are not weighted and are not scored. The criteria provide flexibility for the hiring manager to make determinations about which criteria are most relevant based on the business needs *at the time the hiring takes place*. If secondary selection criteria were weighted or scored, and the determinations around how much weight to give each criterion were made in advance, the criteria themselves could be completely irrelevant, or the weight of any individual criterion could be totally different at the time of hire because the composition of the department and its business needs are continuously changing. For example, the SFFD might have a need for Cantonese speakers at one point, and later that need could be supplanted by a need for more speakers of Mandarin. If implemented, this recommendation would eliminate the department's current ability to adapt its hiring based on evolving business needs.

8. **Report statement:** *The City has designed a process for developing fire services examinations, through which answer keys are developed concurrently with test administration, which does not comply with national industry practices. The current process does not allow for sufficient opportunity to identify and correct errors in the test instrument prior to test administration (section 4, page 33).*

DHR response: In its survey of certain other agencies, the auditors apparently learned those agencies do not develop their answer keys when San Francisco develops its answer keys. The auditors then assert that, for this reason, San Francisco does not comply with national industry practices. It is not clear how "national industry practices" is defined, or whether those practices are the best practices, but it seems to be based on the popularity of a given procedure, or how frequently that procedure is performed.

DHR did not “design” a process wherein answer keys are developed simultaneously with test administration. DHR’s process was driven by deep-seated mistrust and suspicion among various groups within the Fire Department, which unfortunately goes back decades. Developing the answers prior to test administration has not been a viable option because of this ongoing mistrust and suspicion (i.e., suspicion that those who develop the key will share what they know about the key with others prior to administration of the test). DHR’s practice of developing the answer key at the time a test is administered must be understood within this context.

The auditors assert that preventing cheating is not a criterion for a valid exam. However, based on the breadth and depth of education and expertise in the area of exam design and administration possessed by its examination experts, DHR asserts that to the extent it helps to deter cheating, this process improves the reliability and validity of the testing process. Because the answer key cannot be known prior to a test’s administration, candidate concerns regarding test security are allayed. Obviously, cheating also undermines the validity of the examination process. Consequently, DHR believes that its practice is the most prudent course of action.

If an error is found with a question following the administration of the exam, that question can simply be thrown out, which means the consequences of an error in the exam are minimal, while the benefits of using this method are tremendous.

The assertion that ours is not a “best practice” simply because the auditors did not find it used in certain other agencies, which do not share San Francisco’s history, demographics, or values, is entirely without foundation. In fact, San Francisco’s process has been approved as valid by DHR’s nationally-known and well-respected public safety examination consultants, and it is the very process that was instituted at the time of the consent decree and has been followed since.

9. Report statement: *Currently, employees can be promoted to high-ranking positions without demonstrating proficiency in management and administration (section 4, page 33).*

DHR response: The SFFD is required by law, professional, and industry standards to engage in a thorough exam development process, including conducting a job analysis of the classification. Exam components **must** be based on the job analysis. (See Uniform Guidelines on Employment Selection Procedures, Ricci v. DeStefano (2009) 129 S.Ct. 2658, 2673; see also id. at 2679-“In finding an exam to be job-related, the Court relied on evidence that New Haven's test had been designed "after painstaking analyses of the captain and lieutenant positions and drew questions from source material approved by the department."”).

Using the job analysis to develop the testing components for promotional ranks is a very exacting and detailed process. For example, DHR conducted hundreds of interviews to prepare the new H20 Lieutenant class specification. These details are all set forth in the validation report for the exam, which was provided to the auditors.

The most recent exam for H-20 Lieutenant included a “Managing Employee Performance” component, and a training component. The most recent exam for H-40 Battalion Chief included a role play exercise wherein the candidate was given a period of time to draft an emergency plan, then met with two role players to train them on the plan. Both of these components provide the candidate the opportunity to

demonstrate management and administrative skills that were identified during job analysis as critical for successful performance of the job.

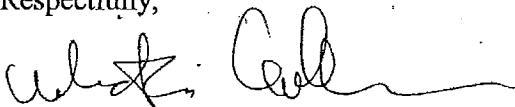
As an aside, the statement quoted above is based solely on auditor interviews of employees. The auditors assert that many SFFD employees they interviewed, including at least one supervisory-level employee, claim that most of the SFFD supervisors and managers have little to no management skill. However, DHR's experience in designing the exam is that the majority of SFFD employees believe the most important element of being an effective manager is fire suppression experience, and that the exams should focus on this area. Of course, as stated earlier, DHR must and does base its exam design on the job analysis, not on what employees think would make a better test.

That said, DHR is implementing new training in leadership and management skills on a Citywide basis, and will be working with the SFFD to ensure that its internal needs in this area will be met. While we certainly test for these skills, we can also enhance and develop these capacities in our existing management employees.

Despite the concerns noted herein, DHR appreciates the attention this report pays to the important issues of recruitment and promotion. Our responses to the report's recommendations are included in the enclosed matrix, along with a letter detailing some of our accomplishments in the areas addressed.

Thank you for the opportunity to comment on the report.

Respectfully,

A handwritten signature in black ink, appearing to read "Micki Callahan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Micki Callahan
Human Resources Director

Encl (2)

C: Joanne Hayes-White, Fire Chief

City and County of San Francisco

Edwin M. Lee
Mayor



Department of Human Resources

Micki Callahan
Human Resources Director

January 3, 2014

To: Severin Campbell
Office of Budget and Legislative Analyst
San Francisco Board of Supervisors

From: Micki Callahan
Human Resources Director

Re: Accomplishments provided in response to the report entitled *Performance Audit of the City's Practices to Recruit, Retain and Promote Uniform Fire Staff*

The Department of Human Resources (DHR) has received and reviewed the report entitled *Performance Audit of the City's Practices to Recruit, Retain and Promote Uniform Fire Staff* prepared by the Board of Supervisors' Office of Budget and Legislative Analyst.

DHR provides the following information about the accomplishments of DHR and the San Francisco Fire Department (SFFD) related to the diversification of the SFFD workforce:

The SFFD has made significant progress in diversifying its workforce since the consent decree took effect in 1987. The consent decree, along with the stipulated order that followed in 1998, required the SFFD to make good faith efforts to achieve a workforce of 40 percent minorities and 10 percent women. San Francisco continues to not only meet, but to exceed these historical requirements, as the SFFD workforce is currently comprised of 52 percent minorities and 16 percent women.

In fact, with women making up 16 percent of its workforce, San Francisco ranks as one of the highest in the nation for employment of women in the firefighter ranks.¹

Additionally, while the number of Asians employed in fire suppression jobs is low across the nation, when the San Francisco labor market of Asian/PI (Asian and Filipino) individuals available for entry level firefighter positions (18.99 percent) is compared to the SFFD's Asian/PI entry level employees (26.52 percent), it is clear that SFFD has gone well beyond the requirements of the consent decree and stipulated order and now has a greater representation of Asian/PI employees in its entry level classifications than is represented in the available labor market.

Indeed, the attached document shows that in 2010 the SFFD's percentage of minority employees exceeded the percentage of those same minorities in the available labor market. These achievements are all the more impressive given the prohibitions against taking race into consideration in hiring.

A major reason for this success is the ability of the Fire Chief to use additional business-related selection criteria at the time of hire, through Civil Service Rule of the List.

¹ Krieger, Aisha, *Beyond the Consent Decree: Gender and Recruitment in the San Francisco Fire Department*

Rule of the List allows the chief to select any available candidate from an eligible list. In this way, the chief can look to the business needs of individual stations when making final hiring decisions. For example, if the Mission District station needs a Spanish-speaking employee, the Chief can reach into the eligible list to make a selection that meets that business need.

The strength of this tool is reflected in the table below, which compares the diversity of those hired to the diversity of those available to be hired from the eligible list. It shows, for example, that the percentage of African Americans hired is almost twice the percentage of African Americans in the eligible pool. The percentage of females is about 74 percent higher (i.e., 12.59 percent compared to 7.23 percent) and the percentage of Asians is about 27 percent higher (i.e., 12.59 percent compared to 9.92 percent). The Filipino percentage is slightly lower, but not practically significant given that one additional Filipino hired would change this percentage to where it would be higher than the percentage of Filipinos in the eligible pool. Finally, the percentage of Hispanics hired is also slightly higher than the percentage of Hispanics in the eligible pool.

ELIGIBLE LIST

White	Black	Hispanic	Asian	Filipino	Amer Indian	Male	Female	Und (1)	TOTAL
2773	319	941	516	260	82	4515	376	312	5203
53.30%	6.13%	18.09%	9.92%	5.00%	1.58%	86.78%	7.23%	6.00%	100%

HIRES

White	Black	Hispanic	Asian	Filipino	Amer Indian	Male	Female	Und (1)	TOTAL
70	15	25	17	6	2	118	17	0	135
51.85%	11.11%	18.52%	12.59%	4.44%	1.48%	87.41%	12.59%	0.00%	100%

DIFFERENCE: Hire Rate minus Eligible List Representation

-1.44%	4.98%	0.43%	2.68%	-0.55%	-0.09%	0.63%	5.37%
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Notes:

The comparison at the totals level is not 100% accurate due to the "undeclared" group in the eligible list pool.

While the Fire Department is to be commended for the aforementioned accomplishments, SFFD and DHR are continuously looking for ways to improve the examination and hiring process and the diversity of the applicant pool.

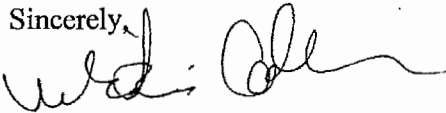
In October of 2013 the Civil Service Commission amended its rules related to fees for examinations to allow DHR to pilot a new continuous testing program for the Fire Department. The test is administered by a vendor, which charges applicants a fee of \$40. DHR is providing financial assistance for those who may need it so that nobody is denied admittance to the exam for lack of funds. For the \$40 fee, applicants are afforded the convenience of being able to self-schedule their exams at times that are convenient for them.

Another advantage of this new testing process is that it is continuous, which enables the SFFD's recruitment efforts to be directly tied to an exam administration. Data from other jurisdictions that have adopted this testing model show the diversity of the applicant pool has been significantly increased under this testing method. While there is no definitive answer as to why diversity increases with this process, it is intuitive to

conclude that the convenience of being able to self-schedule a test date at the applicant's convenience eliminates barriers for applicants who may not be available for the test during the narrow window the exam is open under the current process. Additionally, when recruitment is tied to a continuous test, candidates do not lose interest or become discouraged by the long wait for an examination. In other words, a candidate could be recruited in the morning and by afternoon be scheduled to take the exam at a date, time and location convenient for her or him.

While SFFD's diversity statistics are currently well above what was required by the consent decree and stipulated order, the team is always interested in ways to further enhance the department's diversity. We look forward to the opportunity to support the SFFD's recruitment efforts with the use of our new continuous examination tool.

Sincerely,



Micki Callahan
Human Resources Director

Attachment: 2013SFFD Statistics Available Workforce

C: Chief Joanne Hayes-White

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

1. For reference to Committee.
An ordinance, resolution, motion, or charter amendment.
2. Request for next printed agenda without reference to Committee.
3. Request for hearing on a subject matter at Committee.
4. Request for letter beginning "Supervisor [] inquires"
5. City Attorney request.
6. Call File No. [] from Committee.
7. Budget Analyst request (attach written motion).
8. Substitute Legislation File No. []
9. Request for Closed Session (attach written motion).
10. Board to Sit as A Committee of the Whole.
11. Question(s) submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative

Sponsor(s):

Breed, Cohen

Subject:

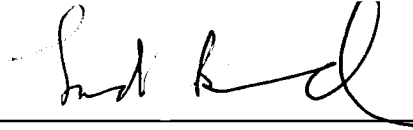
Motion setting the 2014 Budget and Legislative Analyst Services Audit Plan

The text is listed below or attached:

Motion directing the Budget and Legislative Analyst to conduct two performance audits in 2014 and setting the priority as follows: (1) the San Francisco Fire Department's allocation of resources to emergency medical services; and (2) the San Francisco Fire Department's administrative staffing and strategic planning; and removing from the Budget and Legislative Analyst's audit plan the Department of Public Health's compliance with privacy and security regulations as defined by the Health Information Technology for Economic and Clinical Health (HITECH) and Health Insurance Portability and Accountability Act (HIPAA) acts, previously approved by the Board of Supervisors.

140128

Signature of Sponsoring Supervisor: _____

A handwritten signature in black ink, appearing to be "S. K. D.", written over a horizontal line.

For Clerk's Use Only: