



**Audit of Eligibility for Certification
Payments to Fire Protection District
Employees**

Report Date: December 28, 2022

Office of the Auditor-Controller
County of Ventura, California
Jeffery S. Burgh, Auditor-Controller

County of Ventura
AUDITOR-CONTROLLER
MEMORANDUM

To: Dustin Gardner, Fire Chief

Date: December 28, 2022

From: Jeffery S. Burgh

**Subject: AUDIT OF ELIGIBILITY FOR CERTIFICATION PAYMENTS TO FIRE PROTECTION
DISTRICT EMPLOYEES**

We have completed our audit of eligibility for certification payments (Certification Pay) to Fire Protection District (FPD) employees. Our overall objective was to evaluate whether Certification Pay was paid only to eligible employees for the period of January 1 through June 30, 2022.

Executive Summary

Overall, we found that Certification Pay was paid to eligible FPD employees. For example, personnel files generally contained the proper documentation to authorize the payment of Certification Pay and certifications on file complied with requirements.

However, we identified an opportunity to improve management's oversight of the Certification Pay process. Specifically, we found:

- Two FPD employees received Certification Pay for the incorrect incentive categories, resulting in one of the employees being overpaid by approximately \$5,500 over the last 14 years.

FPD management initiated corrective action to address our finding. Corrective action is planned to be completed by January 27, 2023.

We appreciate the cooperation and assistance extended by you and your staff during this audit.

cc: Honorable Matt LaVere, Chair, Board of Supervisors
Honorable Kelly Long, Vice Chair, Board of Supervisors
Honorable Linda Parks, Board of Supervisors
Honorable Robert O. Huber, Board of Supervisors
Honorable Vianey Lopez, Board of Supervisors
Sevet Johnson, Psy.D., County Executive Officer

Audit Report Contents

Background	1
Scope	1
Findings	1
1. Incorrect Earnings Codes for Non-Paramedic/EMT Certifications	2
Auditor's Evaluation of Management Action	2

Background

Permanent Ventura County Fire Protection District (FPD) employees who acquire and maintain certain certifications or licenses may be eligible for payments in addition to the employee's base pay (Certification Pay). To be eligible for Certification Pay, employees must meet the requirements outlined in the applicable bargaining unit's Memorandum of Agreement (MOA) and provide proof that the certification or license meets the MOA requirements.

Over \$1.47 million in Certification Pay was paid to 430 FPD employees during the first half of calendar year 2022, which puts FPD employees on track to be paid roughly \$2.95 million for the entire year.

Scope

Our overall objective was to determine whether Certification Pay was paid only to eligible employees for the period of January 1 through June 30, 2022. Specifically, we:

- determined whether employees who received Certification Pay complied with applicable MOA eligibility requirements; and
- verified that management provided adequate oversight for Certification Pay.

The audit was performed in conformance with the *International Standards for the Professional Practice of Internal Auditing* promulgated by The Institute of Internal Auditors.

Findings

Overall, we found that Certification Pay was paid to eligible FPD employees. For example:

- Personnel files generally contained the proper documentation to authorize the payment of Certification Pay.
- All 41 employees receiving Certification Pay selected for testing had appropriate certifications on file.
- Management effectively monitored the work hours necessary for employees to maintain the appropriate level of Paramedic Certification Pay.

However, we identified an opportunity to improve management oversight of the Certification Pay process by ensuring accuracy of forms authorizing non-Paramedic/Emergency Medical Technician (EMT) Certification Pay.

Following are details of the area where improvement was needed. FPD management initiated corrective action in response to the audit as noted.

1. Incorrect Earnings Codes for Non-Paramedic/EMT Certifications

Earnings codes were not always accurately entered on Additional Pay Action Forms (APAFs) for non-Paramedic/EMT certifications, leading to employees receiving Certification Pay for incentive categories for which the employees did not qualify. Of the five employees receiving non-Paramedic/EMT Certification Pay selected for testing, two (40%) employees received Certification Pay for incorrect incentive categories based on the employees' certifications on file.

- Since 2008, one employee received Certification Pay of 2 percent of base pay per pay period rather than the 1.5 percent for which the employee was eligible. This was due to the incorrect earnings code entered on the associated APAF. During the audit, FPD corrected the earnings code and obtained a signed repayment agreement from the employee to recover the overpayment. While we estimated that the employee was overpaid approximately \$5,500 during the last 14 years, the County will be able to recover only \$1,176 of this overpayment due to the statute of limitations.
- Since 2009, the second employee received Certification Pay under the incorrect earnings code due to an error on the APAF. However, the Certification Pay rate was the same for each earnings code; therefore, no overpayment occurred and only a correction to the earnings code was needed.

Recommendation. FPD management should establish procedures for a secondary review of APAFs prior to submittal to County Executive Office (CEO) Human Resources (HR) to ensure that earnings codes agree with employees' certifications.

Management Action. FPD management stated: "FPD's management agrees with the auditor's recommendation and has already implemented corrective action by correcting the earning codes for the two employees named in the audit. Furthermore, an HR personnel analyst will be assigned to verify the remaining non-paramedic/EMT incentives received by employees not named in the audit to ensure there are no additional errors. This will be completed within the next 30 days. To prevent any future occurrence, a personnel analyst will conduct a secondary review of the incentive entries made by the personnel assistant prior to submission to CEO HR office."

Auditor's Evaluation of Management Action

We believe that management actions taken or planned were responsive to the audit finding. FPD management planned to complete corrective action by January 27, 2023.