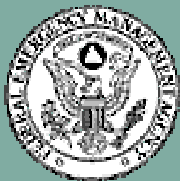




Funding Alternatives for Fire and Emergency Services



**FEDERAL EMERGENCY MANAGEMENT AGENCY
UNITED STATES FIRE ADMINISTRATION**





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This publication was produced under contract EME-98-SA-0431 for the United States Fire Administration, Federal Emergency Management Agency. Any information, findings, conclusions, or recommendations expressed in this publication do not necessarily reflect the views of the Federal Emergency Management Agency or the United States Fire Administration.



ACKNOWLEDGEMENTS

The United States Fire Administration, Federal Emergency Management Agency, would like to thank the many fire departments, emergency medical services agencies and individuals who kindly shared their experience and knowledge on alternative funding sources. Some of these individuals are cited as contacts for additional information in the text while other preferred to remain anonymous.



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CHAPTER ONE

INTRODUCTION

Stimulated by local budget pressures, fire and emergency medical service departments in the United States are using a wide array of fundraising approaches beyond traditional methods.

These funding alternatives range from small fees for special services to major new sources of funds such as benefit assessments, which pay for as much as 40 percent of the budget for some fire departments. The alternatives include impact development fees, in which private developers pay for virtually all new fire stations and their associated apparatus and equipment, and subscription charges, in which households pay a flat rate and then are absolved from any further payments associated with emergency medical services beyond those covered by their medical insurance.

Fees for fire prevention services are being used to pay much of the cost of fire prevention, a part of fire department budgets that often receives little public support and has been hard to fund adequately. The structure of fees for prevention also can play a significant role in shaping prevention strategies. To motivate safe behaviors and achieve better compliance with codes, departments are using a variety of fees and citations for repeat inspections, false alarms, and code violations.

Some fire departments are defining the basic services covered by taxes to include only a small house fire, and charge for “additional services” such as dealing with emergency medical service responses, hazardous materials incidents, extinguishing larger fires, standing by at events, pumping flooded basements, and providing other technical services. Some fire departments are charging

for rescues where the victim disobeyed public warnings, such as getting caught in flash flood areas or violating water safety precautions.

Some fire departments are charging for fire suppression, knowing that household insurance policies will often cover up to a few hundred or a few thousand dollars for fees associated with fire protection. And some fire departments are simply charging for everything, either through a subscription fee or a charge for each service.

A key part of new fire and EMS department funding strategies is the approach to emergency medical incidents, which often comprise two-thirds to three-quarters of responses in many fire departments. What was once a free service now often has charges for transport to the hospital, and, increasingly, charges for providing medical care even without transport.

EMS is a major role of the fire service, and is increasing in sophistication and scope. The cost of EMS, and who pays for them, are (or should be) tied to the national public health care cost debate. As has finally been accepted for many other types of emergencies, the fire service and independent EMS agencies are usually the first responders to acute medical problems and play a significant role in influencing how many people are introduced into the health care system, and in what condition.



THE IMPLICATIONS OF FUNDING CHOICES

Each agency providing fire-related or emergency medical services must consider the range of opportunities and the local and state constraints in shaping its funding policy and determining its budget. Funding influences the amount of emergency resources available, and the scope of prevention activities, which in turn influence life or death issues. The funding issue is not one to be left solely to accountants and finance officers; it is a vital public policy issue that can literally mean life or death in the community.

The choice of funding approaches also raises fundamental questions about governance and equity. Should only the users of local government services pay the burden of the services provided to them? Should fire protection and EMS be treated like insurance, in which the fees charged are a function of the risks presented? Should fire and EMS be considered services provided to people in need, with the costs spread evenly across society, with no “user charges”?

These are fundamental questions about our values and the role of government in society. Different communities are taking radically different positions; many seem uneasy about charging for services beyond what taxes cover, but others have found it to be the only way to fund critical public safety services.

ABOUT THIS MANUAL

The purpose of this manual is to identify the various types of funding sources actually being used by fire

and EMS agencies throughout the nation, and their pros and cons. The report includes financing alternatives for all types of fire and EMS departments - rural and urban, volunteer and career, agencies providing multiple services and those providing only fire protection or only emergency medical service. Examples are given of departments using the various methodologies.

The manual includes funding of local services by local government, state government, federal government and the private sector. The types of funding sources are summarized below.

Major Local Government Funding Mechanisms

The wide variety of local funding approaches found in practice - and it is truly a very wide variety - can be grouped into several major categories.

Taxes - These include general property taxes, local income taxes and general sales taxes used to fund most local services, but also transient taxes, and other taxes earmarked specifically for fire and EMS services.

Borrowing - In addition to the familiar bonds used for purchasing capital equipment and facilities are “certificates of participation” (COPs). They operate much like home mortgages and are used to purchase equipment and facilities when the local jurisdiction is not allowed to use the more conventional debt instruments.

Leasing - Another way to avoid a large capital outlay, especially for apparatus is a leasing arrangement, often with a right to purchase at the end.



Benefit Assessment Charges - Administered somewhat like property taxes, these charges factor in not only size and type of property but also “benefits” from being close to fire stations, having reduced insurance, having special services available, etc. These charges are a way to get around property tax limitations and also can improve the equity of charges for fire protection.

Fees - These include small revenue producers such as fees for permits for new construction, special events and operating hazardous functions, to fees for inspections and violations of codes, to fees for special services for which charges were not made in the past, such as pumping water out of a basement or rescuing a boater or hiker, to fees for virtually anything a fire department does. Perhaps the most lucrative new category of fees are those for emergency medical service transport and emergency medical care.

Strategic Alliances- Fire departments are forming alliances with other agencies to provide all the fire protection and EMS care in neighboring jurisdictions, or to provide selected services for parts of jurisdictions, or to provide special services such as training, hazardous materials responses, and heavy rescue either under an annual contract or with a fee per usage or per student. These arrangements are mutually beneficial to both the departments or agencies involved.

Cost Sharing and Consolidation - Many fire and EMS departments are joining together to pay for new facilities or services to reduce the burden on each, especially where the facilities or services are not frequently used. Also, some fire and EMS departments are joining

together to form single departments to save costs and improve service delivery.

Fines and Citations - Fire and EMS departments are charging fees for negligent fire, actions inconsistent with the law and failure to comply with codes.

Sales of Assets and Services - Some fire and EMS agencies sell used equipment or services to produce much needed revenue.

Subscriptions - Most commonly used for emergency medical services, this is essentially a form of insurance in which a household pays a fixed fee per year, such as \$35, and then does not have to pay anything additional for emergency medical service or transport it uses during the year. A major variation is where the subscription prevents any out-of-pocket expenditures beyond the subscription fee, but the local agency is free to charge the subscriber for fees that can be recovered from medical insurance or homeowners insurance. In either method, those not subscribing pay the full amount charged.

Impact Development Fees - New developments can be required to pay for the impact they have on capital purchases such as new fire stations and their full complement of equipment. Thereafter, the provision of services is paid the same as for existing development.

There are a wide variety of miscellaneous other funding sources described in the text. There also are organizational approaches that can be considered when rethinking approaches to funding fire and EMS services.



Federal and State Programs

In addition to the above sources in which the local government obtains funds from its server population through taxes or other approaches, local fire and emergency medical agencies also can obtain considerable funding from state and federal programs. Often the federal programs flow to the local level through state programs.

Many states provide direct funding of EMS squads, especially in rural areas. Many states offer grant aid and low interest loans to fire and EMS departments for capital improvement projects. On the other hand, some states have no funds for local programs. The report lists the funding available at the state level for each state. Among the state and federal sources identified were the following:

Fire Insurance Surcharges - These range from a fraction of a percent to a few percent of fire-related premiums to pay for fire and emergency medical services programs. Local agencies do not tap into the surcharge funds directly, but rather through a variety of state programs.

Vehicle-Related Fees - Vehicle registration and traffic citations may have fees added to help pay for emergency medical services, which often are needed to assist victims of traffic accidents.

Special State Grant Programs - Many states have crime, health, or fire programs in which grants are given to local governments for specific public safety purposes such as new arson control initiatives or improving the

quality of emergency medical services. Often the grants are competitive.

General State Revenues - Many states allocate part of the taxes they raise to help support the local fire service, especially rural and volunteer fire agencies or those agencies considered most in need.

State Provided Services - Many states provide services that can be used in lieu of local services and funds, such as training of firefighters, regional hazardous materials teams and technical assistance programs.

Federal Grant Programs-There are a wide array of special purpose programs across the federal agencies. Some programs are not specifically earmarked for fire protection or EMS but can be used for those purposes, such as community block grants for improving cities, crime control initiatives (which often can be used for arson and juvenile firesetting programs), military surplus vehicles, and others.

Fire departments and EMS agencies in states without funding may wish to consider what other states are doing, and decide whether to approach their own states for funding. The taxpayers pay for these services one way or another, but some approaches may be more palatable or more equitable than others.



Private Sector Sources

Career and volunteer fire and EMS companies raise a significant amount of funds from the private sector. Many fire departments are increasingly using private donations, sometimes by setting up non-profit foundations. Among the private sector sources are the following:

Private Foundations - Some communities are fortunate to have local foundations whose funds can be used for providing special public safety services, starting new services, helping low-income areas or other services allowed by their charters. Some national foundations also contribute to fire and EMS services.

Corporate Donations - Both volunteer and career departments have been successful in soliciting grants and services from local and national corporations. These sources may be involved in safety (such as insurance companies, manufacturers of fire-related equipment, manufacturers of products involved in fires), or may just be interested in good public relations and in doing community service (such as fast food restaurants).

Public/Private Partnerships - Many fire and EMS departments have been successful in public/private partnership ventures including co-development, sharing of resources and cost tradeoffs.

Miscellaneous Fundraising Ideas

Fire and EMS departments all across the country are using innovative methods to raise much needed funds.

Many volunteer agencies rely on these types of funding methods to support their organizations and operation. This section includes information on:

Direct Solicitation - Volunteer departments often take the straightforward approach of door-to-door solicitation or direct mail solicitation.

Fundraising Events or Drives - Volunteer departments have raised funds through bake sales, barbecues, carnivals, dinners, picnics, casino nights, sporting events, and a wide variety of other fundraising methods.

Sale of Products of Services - Fire and EMS departments can raise funds through sales of products, such as photos or calendars, as well as services, such as rental facilities and car washes.

Other Important Information

This manual includes a special section on developing grant requests and proposals, to assist fire and emergency medical service agencies in preparing appropriate documentation in pursuit of grants from government and private sources. This manual also includes a section on Managed Care and its effects on the funding of fire and emergency medical service agencies providing EMS and transport services to their communities. Managed Care has the potential to change the way EMS billing and EMS services are done by fire and EMS agencies in this country.

Providers of fire protection and emergency medical service should consider the wide variety of ways avail-



able to fund services and perhaps to improve the equity of paying for the service. Citizens often balk at new fundraising mechanisms, and need to be brought into the discussion of the purpose and mechanism of the funding at the earliest opportunity. Changing the way public safety is funded can profoundly affect the way government is viewed, and change the unwritten contract between a government and its people on major issues such as representation and the purposes and goals of government.

ORGANIZATION OF THE MANUAL

The report is divided into several major sections. In each chapter, the funding alternatives presented apply to both fire and EMS departments unless flagged in parentheses after the title as applying predominantly to one or the other. Many examples are given of funding alternatives used in particular jurisdictions. Where appropriate and consented, the name is given of a local contact knowledgeable about that jurisdiction's approach.

A note on EMS and fire department names - There is no uniform term to describe local organizations that provide an Emergency Medical Service - they may use "rescue" or "ambulance" in their name, and "squad" or "department" or other designations. Likewise, "fire department" may mean an organization that provides EMS, rescue and many other services. "Fire and Rescue" Department often means Fire and EMS and Rescue. In this report, the term "fire and EMS departments" is used to mean any local organization that does fire protection, EMS, or both. The ideas here apply broadly.

Many of the alternative funding approaches presented here are ways to raise funds without raising overall taxes, or to live within a tax cap by using alternatives that are not technically taxes.

Another group of funding alternatives tries to change the behavior of users who put disproportionate demands on the system, by making the users, or at least unusually demanding users, pay for their service. But businesses, residents, and visitors often resent paying fees beyond their taxes, and often expect taxes to pay for all of their services. Any successful funding mechanism has to be well-packaged and "sold" to the community.

SCOPE

This report discusses funding alternatives applicable to fully career, volunteer, and combination departments. It includes public and private sources of funds or in-kind services. It is intended for organizations from small, rural departments to large municipal departments.

The report includes funding sources for fire protection, emergency medical services, and other services such as those relating to technical rescue and hazardous materials. The report applies to organizations that solely provide emergency medical services, or solely fire services, or both.

Advantages and disadvantages are discussed for each funding mechanism to the extent they are known and not totally obvious.



SOURCES USED

In addition to an intense bibliographic search, many federal, state, and local agencies were researched to examine funding sources they use. Project staff and the staff of the United States Fire Administration also contributed many examples. Some examples were obtained from management studies for individual fire departments, and from professional meetings where funding alternatives were discussed.

SUMMARY

Budget pressures have forced local governments across the country to seriously consider reducing services, increasing efficiency, or finding new funding sources. The impacts of budget pressures have been especially complex for fire protection and emergency medical services to deal with because they come at a time when there are increasing concerns for firefighter safety, increasing demand for emergency medical service (EMS), and often an increasing array of other services required to be provided by fire and EMS departments such as responding to hazardous materials spills, technical rescue incidents, and providing advanced life support. The addition of new services also offers new opportunities for funding: charging for the additional services can sometimes offset some or all of the costs of both the new and the old services.

Fire departments and emergency medical service departments need to know the range of possibilities for new funding sources, especially ones that have proven effective. They need more than just new concepts - what is theoretically possible - but rather what has been tried

that works, and the pros and cons of the approaches. This manual describes a long list of alternative funding sources that have been used successfully by local fire and EMS agencies.





CHAPTER TWO

LOCAL SOURCES FOR FIRE AND EMS FUNDING

There are a wide variety of local sources for funding of fire and emergency service departments. Even agencies using the same type of funding mechanisms may have very different methods of implementation, approval or authority. This chapter serves to assist departments by providing some examples of local funding sources. The major types of local funding sources for fire and EMS departments include taxes, benefit assessments, bonds, fees, contracting out, cost-sharing arrangements, sales of services or equipment and other alternatives.

TAXES

The most common source of funding for fire and EMS is taxes. They include property taxes, sales taxes, local income taxes, special taxes and property transfer taxes. These are only briefly described here because they are well known, and the focus here is on other more unique sources.

Local Property Taxes

Perhaps the most common taxes supporting fire and EMS services nationally are property taxes. They are usually levied at a set rate per dollar of assessed property value. Some fire district or EMS district taxes are considered property taxes and some are considered special taxes above property taxes.

Sometimes part of the property tax or a separate property tax is earmarked for fire protection or EMS. For example, in the State of Washington, there are complex rules earmarking parts of the basic property tax. Cities and fire districts in Washington can impose additional

property tax levies specifically for EMS at up to 50¢ per \$1,000 of assessed property value. These levies are imposed for six consecutive years and must be authorized by at least 60 percent of the voters. At the end of the six years the public must vote again to continue using this source. The proceeds of the additional levy can be used for personnel costs, training, equipment, supplies, vehicles and structures.

Some states authorize local governments to levy a special tax or an assessment for fire protection services. Several small cities have adopted these special taxes to supplement their general fund support for fire protection services.

One advantage of an earmarked property tax is that it produces revenues dedicated solely to fire and EMS. Another advantage is that the amount raised automatically increases with inflation of property values, as new assessments are made. A disadvantage is that it usually requires going to the voters to authorize starting the tax and again to continue it after a specified period. It can only be used up to a specified limit. Another disadvantage is that the tax funds automatically decrease when property assessments decline.

Local Sales Taxes

Many localities have sales taxes on various classes of goods and services sold in the community. These taxes go into general revenues that support fire and other services.

In Lepanto, Arkansas, a \$.005 sales tax was ap-



proved in the community that is to be used strictly for the Lepanto Volunteer Fire Department. The additional sales tax is in place for a definite period of time, 5 years, and the Lepanto Volunteer Fire Department attributes the success of this sales tax initiative to the restricted time frame. In the first half of the sales tax's life, the Lepanto Volunteer Fire Department purchased a new fire engine which they have almost completely paid off, and anticipate additional revenue in the last half of the sales tax's life to assist them in making other needed purchases.

A less common variation of a local sales tax is a "transient tax." Transient taxes are taxes tailored to raise money from visitors. The transient tax differs from a local sales tax in that it is applied to a narrower set of services or sales, those most likely to be associated with businesses, visitors, or tourists. These taxes may be most useful in areas serving large populations of visitors. Visitors often place a large demand on emergency providers, but may not directly or fully support the fire or rescue services through local property taxes for hotels, restaurants, etc., and their impact on general sales taxes. Transient taxes can make up for any inequity. The tax may be added to the cost of a hotel room or to the price of meals served in local restaurants (which would also affect residents). In this manner the burden of funding fire and rescue services is shifted somewhat from the local taxpayer to the visitors causing the increased demands upon the system.

This is an especially appropriate tax to consider for areas where the transient population is large relative to the resident population or where the transient population is responsible for a large proportion of the emergency

calls. The City of Williamsburg, Virginia, for example, attracts a large number of business guests as well as tourists each year. The City charges a transient tax on meals and lodging, which is paid into the city's general fund, to offset the increased demand of visitors on city services.

Howland, Ohio, implemented a "bed tax" in 1997 to generate revenue for the Howland Fire Department as well as the local law enforcement agency. The "bed tax" is 3% of the total bill for the hotel stay, and the money is divided equally between the fire and police departments in quarterly payments. In 1998, the Howland Fire Department received approximately \$92,000 from this "bed tax" program.

The obvious major advantage of the transient tax is that it is borne largely by non-voting outsiders, and painless for all but the tourist industry. The visitors may not like it, but if the tax is not exorbitant or not much higher than that in surrounding jurisdictions it may not affect demand. On the other hand, the possibility must be considered that increased taxes on food or lodging may indeed decrease the demand for those services and offset any gains made by such a tax. They may lower overall business revenues and total taxes, not just those for fire and EMS, if they dissuade visitors from coming, or cause them to stay in neighboring jurisdictions. That possibility must be evaluated on an individual basis for each jurisdiction based upon the type and number of visitors, local economic conditions, and the taxes used in nearby, competing jurisdictions. Also, while a transient tax may be intended to be earmarked for fire and rescue services, often it will go directly into a general fund used to offset additional city services such as police, roads, etc.



Real Estate Transfer Taxes

Real Estate Transfer Taxes are special purpose taxes assessed at the time of sale of a property. Usually they are a percentage of the selling price of the real estate. Real estate transfer taxes sometimes have been levied to provide an additional source of revenue for public safety and public works projects. Proceeds from such taxes are pooled with other general fund revenues but can be like earmarked funds in effect.

Most often these taxes are used in areas with high single-family dwelling ownership. An advantage is, theoretically, improved equity: unlike property taxes which are passed on to renters and other lower-income taxpayers, much of this tax comes from those with incomes sufficient to own and sell real estate. In some cases, first-time home buyers may be exempted from the tax. These taxes are a good revenue source even in times of economic recession; the sale of property often generates a substantial revenue stream. Another advantage is that they are easily collected taxes. They can be collected along with property taxes at the time of closing on the mortgage or when the deed transfer is registered.

Disadvantages include the taxes being opposed by real estate interests. Also, these taxes may require legislative approval. Most local jurisdictions must get special taxing authority from the state legislature before levying special purpose taxes.

Special Taxes

There are a variety of “special taxes” allowed in

many states for special purposes. States may authorize local agencies which provide fire protection or prevention services to propose by ordinance the adoption of a special tax. These tax revenues can be used for obtaining, furnishing, operating, and maintaining fire suppression equipment or apparatus, for paying the salaries and benefits of firefighting personnel, and for other necessary fire protection and prevention expenses. The tax may be levied throughout the entire jurisdiction or may be limited to specific areas or zones, but usually cannot be imposed on a federal, state or local government agency.

Special taxes may be levied by parcel of land or on the basis of the class of improvements to property or the use of the property. These factors can be used to estimate fire flow requirements, which in turn can be used as the basis for determining the amount of the tax. Additional factors that might be used to calculate the tax include: type of construction, square footage, occupancy factors, roofing material, and existence of sprinklers. In many cases the specific rates are developed to complement revenues from other sources so that the total is enough to meet the amount budgeted.

Fire Flow Tax

The fire flow tax is something like a property tax in that a lien can be placed on the property if the tax is not paid. But rather than being based on assessed property value, it is based on a computed fire flow requirement, typically using an Insurance Services Office (ISO) formula for fire flow. In one state, the formula is the product of three factors: the number of livable or usable square feet, a coefficient that depends on construction type, and



a constant (18). For example, the coefficient is 1.5 for a frame house. The charge is based on a set number of cents per gallon per minute flow. If the occupancy is equipped with sprinklers, the charge is reduced 50 percent.

The rate per gpm is selected on the basis of the budget shortfall (that is, the amount not covered by taxes and other sources). The shortfall is divided by the square feet of property to get the average cost needed per square foot. The fee is then developed using the average gpm required per square foot.

The advantage of this method is that it generates large dollars, and the charge computation can be computerized and done automatically. The major disadvantage is that it may be considered a tax and requires a two-thirds vote to use it. Voters have accepted it in some places and rejected it in others. Also, there are costs of going to the voters in an election, and that has to be paid for whether or not it passes.

BENEFIT ASSESSMENTS

A benefit assessment is a charge for service based upon the estimated benefit attributed to a potential user. The concept is to have a charge proportional to the benefits received by the owner, and not just to prorate the cost of service. The benefit is assessed on the basis of one or more attributes of the property or occupancy, such as square feet, type of property, fire flow requirements, distance from fire station or other factors. Some states consider this different from a tax. In other states, this assessment may be defined as a tax, and may not be legal

without a change in legislation. Often the permissibility of the use of benefit assessment charges depends on the method of assessment, and how similar it is to a straight out property tax.

In some places, the benefit assessment involves estimating the total square feet occupied by a property, and charging the owner of the property a fee based upon the amount of service required to protect that property — usually computed by a formula rather than a detailed analysis of the property. Deciding how much money to charge is somewhat complicated, and is based upon several factors. Typically a jurisdiction decides how much money it needs to raise beyond that obtained from other sources, then divides that amount into the total square feet protected, to arrive at an average assessment cost for an average property. Individual fees are then adjusted up or down depending upon whether the occupancy is high or low risk, by simple or complex formulas.

The downside to benefit assessment is that it may be cumbersome to undertake. In addition to legislative restrictions, which may need to be overcome in many states, fees for each property must be assessed in a fair manner, billed, and then collected. The ability to undertake such a project may depend largely on the cooperation of the local government's finance and tax collection departments. Citizens must be made aware that the assessment is specifically to maintain or improve fire and emergency services; otherwise it will be perceived as just another tax measure. Nevertheless, the benefit assessment can be an important financial resource for a department.



A state may authorize any local agency providing fire suppression services to levy an assessment for the purposes of obtaining, furnishing, operating, and maintaining fire suppression equipment or apparatus and/or for the purpose of paying the salaries and benefits of firefighting personnel. In contrast to the special tax authority, the assessment must be related to the benefits rendered to the property assessed.

The tax may be levied throughout the entire jurisdiction or may be limited to specific areas or zones. To levy the assessment, the City or County must pass an ordinance or resolution establishing uniform schedules and rates based upon the type of *use* of property and the *risk classification* of the structures or other improvements on the property. The risk classification may include, but is not limited to, the amount of water required for fire suppression, the structure size, type of construction, structure use, and other factors relating to potential “fire and panic hazards” (sic) and the costs of providing fire suppression.

Assessments on property devoted primarily to agricultural, timber, or livestock uses, and being used for commercial production of agricultural, timber, or livestock products, must be related to the relative risk to the land and its products. Assessments for this type of property must recognize normal animal husbandry practices, on-site or nearby water availability, response time, capability of the fire suppression services and any other factors which reflect the benefit to the land.

In many jurisdictions, several procedures must be followed before an assessment can be levied. The lo-

cal jurisdiction must submit a written report that contains a description of each lot or parcel of property, the amount of the assessment for the initial fiscal year, the maximum amount of the assessment which may be levied for each lot or parcel during any fiscal year, the duration of the assessment, and the basis for the assessment. The local jurisdiction also must notify each property owner affected by the assessment prior to the hearing.

In many jurisdictions, property owners have the right to ask for a public vote and can even prevent an assessment from being levied. For example, in one jurisdiction, written protests against a proposed assessment must be submitted before the hearing, and the authority having jurisdiction must consider all objections and protests to the assessment report. If the written protests represent property interests that collectively will pay less than five percent of the total amount of revenue, the jurisdiction can adopt the assessment. If written protests that are not withdrawn represent property interests that will pay more than 5 percent but less than one-third of the total amount of revenue from the assessment, the proposed assessment must be either submitted to the voters for approval by a two-thirds of the majority, or abandoned. If the value of the protests equal one-third or more of the total expected amount of revenue, the assessment must be abandoned.

In the State of Washington, fire protection districts are authorized to use a service charge based on measurable benefits to property. Charges must be approved by 60 percent of the local voters and are authorized for a period of six years, like special taxes.



Benefit assessments are attractive in Washington because it not only has constraints on the total property tax, but also constraints on the allocation and prorating of various parts of the property tax. Local property tax allocations often fall short of the amount needed to fund fire and EMS.

Besides the obvious benefit of filling in the shortfall of property taxes, the benefit assessment charges have allowed some other changes and reallocations. One small rural Washington fire protection district was able to reduce EMS charges per run from \$600 to \$200, and also improve their fire district rating and their training through use of the benefit charge.

Relative benefit is computed in a somewhat complex manner in Washington. The State developed the criteria for use by fire districts in assessing the benefit received by the property owner; the charges are levied only by those individual local fire protection districts that wish to use them, not by the state.

The benefit charges are based on the type of occupancy, insurance reductions, fire flow requirements, distance from fire stations, special services provided, and a tanker credit in certain areas. The cost to a residence under this system varied in 1992 from as little as \$13.80 to as much as \$111.09 from one fire district to another, depending on the locality's needs.

The so-called *insurance benefit* factor is based on the fire district's rating, which is made by the Washington Survey and Rating Bureau (and not ISO), with 1 as the best rating and 10 the worst. A more favorable fire

protection district rating causes a lower insurance rate per \$1,000 assessed value. Homeowners and businesses are in effect assessed part of the reduction in insurance they get when their fire district has a favorable rating, as part of the formula for computing the benefit charge. For example, a home valued at \$100,000 pays \$674 for fire insurance if the fire district is class 10, but only \$364 if it is class 2-6. The benefit of being in class 2-6 is therefore \$310. Part of this saving then is shared with the fire department, through the benefit assessment charge. For apartment houses, the insurance savings from being in a well rated fire district is even greater than for residences: a 30-unit apartment house with a \$2 million value pays \$38,000 insurance in class 10 and \$12,000 in class 4. Thus the insurance component of the benefit assessment charge is greater for commercial properties than for residences.

The *fire flow* factor is measured in gallons per minute. Residences were estimated to require 500 to 1,000 GPM, small businesses 1,500 to 2,500, and large businesses 3,000 to 6,000 GPM. The fire flow requirements are assumed to be reduced if the property is sprinklered. Charges are specified for each category, but reduced if sprinklered.

The *special services* portion of the benefit charge is meant to reflect services such as pre-fire planning, hazardous materials team, building inspections, heavy rescue service, citizen training, community fire awareness projects, and real estate development coordination. Three classes of special services were developed: class one, for residential properties up to four units, which are assessed a basic flat rate; class two, for commercial properties with



sprinklers and no hazardous materials, which have a special services benefit charge based on square feet; and class three, commercial properties without sprinklers or with hazardous materials, which have the highest special services rate per square foot.

The *response time* factor, the benefit of being close to a fire station (whether fully staffed all the time or not), also is divided into three categories: 0-2 miles away, 2-5 miles, and greater than 5 miles. The benefit charge for these three categories might be \$15, \$10, and \$5 respectively.

A *tanker credit* is considered in the benefit charge computation in rural areas. It reflects the benefit of having a tanker in places not near a hydrant. Having the tanker also raises the rating of the fire district. The cost of tankers may be shared among several places. A small charge is made for those jurisdictions where tankers are readily available.

There are certain exemptions made in assessing a benefit charge. Senior citizens and disabled persons are exempted in part from the charges even though they are major users who might arguably be said to receive higher benefits. However, it was necessary (in Washington) to get their political support for the whole scheme, and there was no desire to cause them extra hardship, so they were granted this exemption even though it ran against the philosophy of the benefit charge system.

Benefit charges are limited in Washington State to paying for up to 60 percent of the fire district's budget, with the remaining 40 percent coming from property taxes.

A total charge that averages \$3.12 per thousand dollars assessed value may be divided into \$1.87 from the benefit assessment and \$1.25 from the property tax. The property tax in turn has limitations and rules about allocations, so that \$1 comes from regular property tax and an additional 25 cents from a special EMS property tax.

The State of Washington set the benefit charge system in place for a six year period before it comes up for potential revision. The benefit charge is considered a tax in the State of Washington, even though it is a way around the property tax limitations. Property owners therefore can appeal their assessments individually.

The benefit charge is used only in fire districts in Washington, not in cities. Each jurisdiction may weight the various benefit factors by any percentage it desires to determine the total benefit charge. One department may choose to charge a rate based 25 percent each on fire-flow, special service, insurance rating, and distance; another department may choose to disregard distance and charge a rate based 50 percent on fire flow and 25 percent each for special service and insurance rating. How some fire districts chose to weight the benefit charges is shown in Table 2.1.

The Thurston County (Washington) Fire District #9 has used benefit charges for several years, and its citizens voted to retain the benefit charges for another six

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 Director
 State Office of Financial
 Management
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 Olympia, WA 98504-3113
 (206) 753-5459



years. The district has an operating budget of about \$970,000 a year, almost \$300,000 from the benefit assessment. The district has been able to increase personnel, renovate their station, and purchase new equipment with their increased revenues from this funding source.

Average homeowners benefit too, according to Thurston officials. The property taxes have remained the

Contact:

Thurston County Fire
District #9
4131 Mudd Bay
Olympia, WA 98502
(206) 866-1000

same or dropped since the benefit charge system was implemented, while property values have risen. Owners of large commercial property or apartment complexes pay

a heavier charge than they would under a simple property tax system. The idea behind the program was to shift the funding burden to the high fire risk properties. The over-

all result is a better and more equitably funded department which can provide superior service to the community.

According to Washington State law, jurisdictions using benefit charges must limit their property taxes to \$1.00 per \$1,000 property value; areas that do not use the benefit charge may charge property tax up to \$1.50 per \$1,000 property value. Therefore, fire department managers and local officials must determine whether their funds would be increased or decreased by switching to the benefit charge system.

Benefit assessment charges are a major innovation and may be very effective in other areas of the country. They can help pay for a significant part of fire protection and EMS, not just a small portion of the budget, as is the case with many of the other funding alternatives identified here.

Table 2.1 Different Benefit Charge Weightings Used by Different Districts in Washington State ²

Benefit Charge Element	King County No. 16	King County No. 36	Spokane Co. No. 4	Clark Co. No.6	Mason Co. No.5
Fire Flow Benefit	\$31.00	\$18.70	\$12.78	\$16.14	\$12.64
Distance Benefit	31.00	*	12.78	16.14	25.28
Special Services Benefit	*	18.70	*	*	*
Total Benefit Charge (Including Other Factors)	93.00	74.79	38.34	48.42	63.20

*Element not used in this district's formula.

² "Legislation Increases Fire Department Funding," *Fire Chief*, p. 46, January 1991.



BORROWING

Major capital improvements can be funded by borrowing money and repaying it over time. This can be accomplished with bonds, certificates of participation, or traditional borrowing.

Bonds

Bonds are essentially loans in which the principal is not paid until the end of a period, typically 5-20 years. Interest is usually paid along the way. Bonds are most often used for major capital improvements such as new fire stations, EMS facilities, training centers, or communications systems, but also are sometimes used for apparatus and equipment. Bonds generally require voter approval. Sometimes they are used solely for fire-related facilities or equipment and sometimes for a package of improvements for various municipal services. Bonds are a way to spread the cost of capital equipment over a long period of time.

Certificates of Participation

Many fire/EMS agencies and units of government are not allowed to issue bonds. An alternative is the “Certificate of Participation,” or COP. The COPs are a financing mechanism similar to general obligation bonds, but the principal as well as interest gets paid along the way, like a home mortgage. They are used to fund large or complex financial obligations in a manner similar to leasing but without violating restrictions on debt financing. The borrower (or lessee) sells certificates of participation to investors (lessors) who agree to provide funds

in exchange for repayment of the principal plus semi-annual interest payments on a fixed schedule.

For example, a township government wishes to finance the purchase of a new engine which costs approximately \$180,000, but the town cannot incur debt obligations or issue bonds. Two options for financing the purchase are to save funds for several years to accrue the capital for the purchase, or to lease the apparatus. However, few manufacturers or distributors lease fire equipment, especially custom-designed fire apparatus. Certificates of deposit offer a third option. The trustees of the township can hire an investment banker, bond counsel, and trustee to prepare the appropriate documents, offer the COPs securities for sale, and manage the disbursements of funds to COPs holders. In exchange for the capital to purchase the engine, the township trustees agree to make annual appropriations to repay the certificate holders and make semiannual interest payments. While the obligation remains outstanding, the certificate holders hold title to the engine through the COP’s trustee.

The advantages of COPs are as follows:

- They do not violate restrictions on long-term debt financing common among certain forms of government; e.g., townships, or imposed by state law.
- They permit public entities to incur a continuing obligation without going into debt.
- In some instances, they are the least costly public financing mechanism.
- In most cases, they are tax-exempt, which attracts a large investor base.
- Usually they do not require voter approval.



The disadvantages are:

- COPs may be more expensive than direct lease or lease/purchase agreements for making relatively small purchases.
- The risk to the lenders that the local government might not appropriate funds every year to finance the annual payment on the obligation generally makes them more expensive (higher interest rate) than general obligation bonds.
- The costs of issuing COPs are higher than direct leasing. They involve a bond counsel, investment bankers, a certificate trustee, rating agency fees, and printing of investment documents. These costs must be added to the amount financed so they can be paid from sale proceeds.
- To achieve favorable interest rates, a reserve fund may also be required. This amount must also be added to the amount borrowed.
- The complex legal requirements associated with this type of financing may make it somewhat cumbersome and time-consuming to use.

Even though COPs do not require voter approval, care should be taken to ensure that they are broadly supported by the public in order to maintain annual appropriations to repay the COP's investors. Failure to appropriate funds to make COPs payments could adversely affect the local government's credit rating, increasing the cost of other forms of public financing.

Traditional Borrowing

Many fire and emergency service agencies, typi-

cally independent volunteer organizations, use the traditional form of borrowing money through banks and lending institutions. These loans are also used for capital improvements such as construction of stations, refurbishing existing stations or vehicle purchases. Fire and EMS agencies should exercise care in "shopping" for a loan for these improvements, similar to how individuals would search for the best interest rate and loan terms for a mortgage or automobile loan. Some banks and lending institutions will provide lower interest loans or different loan options for volunteer, service related organizations, particularly in the interest of the community they serve.

In some jurisdictions, special loan funds are created for these types of projects. In Loudoun County, Virginia, there is a revolving loan fund where independent volunteer agencies in the Loudoun County Fire and Rescue system can request low-interest loans for capital improvements. This allows the volunteer departments to pay for costly capital improvements over time at a lower interest rate than a traditional lending institution.

Another form of borrowing to finance fire equipment is lease-purchasing, discussed later in this chapter.

FEES FOR PREVENTION-RELATED SERVICES

A wide variety of fees are used by fire departments to offset costs of various services and to act as a deterrent or fine for dangerous or illegal behavior.

Inspections to enforce building and fire codes are key elements in a proactive fire prevention program. Small investments in prevention resources often yield substan-



tial benefits in reducing the risk from fire. Fees for prevention services, although a small part of the budget, can have a large impact.

Inspection Fees (Fire Only)

Although benefits of inspection programs accrue to the entire community, the major benefactors are the owners, employees, customers and clients of the businesses, institutions or multi-family dwellings that are inspected. The owners of inspected properties therefore can be asked to pay for some or all of the expenses of conducting the inspections from which they benefit. Inspection fees have long been used by fire departments to offset prevention costs, and are well accepted.

Some departments charge a flat fee for inspection of a certain occupancy type. Some inspection fees are based upon the type of inspection conducted (initial or repeat), the type of building (high-rise, taxpayer, etc.), and the square footage. Additional fees sometimes are charged if special hazards are present, such as hazardous materials storage areas.

Among the most frustrating problems for fire inspection personnel are reinspections, retesting, and rescheduling of appointments for fire protection system tests. Staffing cutbacks and increasing workloads have led many fire departments to institute fees (or raise fees) for reinspections, both to discourage contractors and businesses from taking fire inspectors' time for granted, and to encourage speedy compliance. Missed inspections, failed tests, and continuing violations (often from the second or third reinspection) often result in fees to compen-

sate for the inspector's lost time, as well as to deter violations.

In some cities fees for inspections are not levied except for reinspections. Some cities only charge for inspections performed by field operations personnel, others for any inspection regardless of whether by a fire company or an inspector or civilian fire protection engineer. (Some states have laws that allow formal inspections to be made only by state-certified inspectors; line company "inspections" are then "informal," and cannot be charged for.)

The San Francisco Fire Department is one of many that charges fees for inspections to help recover costs for its Fire Prevention Bureau.

The Bureau conducted approximately 19,335 inspections in fiscal year 1997-1998.

The Bureau's annual revenue for fiscal year 1997-

1998 was \$2,960,017. The Bureau has a total of eight programs. The inspection programs generated \$991,280 in revenue; plan checking generated \$1,173,947; and fire permits generated \$619,332. The remaining programs generated \$175,458 in revenue.

The Benicia, California Fire Department also uses inspection fees, but with a positive reinforcement twist — an interesting innovation. Benicia charges \$35 per

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Port Fire Marshal
Port of San Francisco
Ferry Building
San Francisco, California 94111
(415) 597-7700
FAX (415) 274-0467



Contact:

Asst. Fire Marshal
Benecia Fire Department
250 East L Street
Benecia, CA 94510-3272
(707) 746-4273
(707) 745-4425 FAX

company inspection. However, if the inspected property is found to be in compliance, or complies with fire department instructions before a follow-up visit, the fee is waived. If the occupancy fails to comply, the fee is applied for each fire department visit (usually \$105 for three inspections).

The City of Berkeley, California, implemented a fee inspection program to help recover the cost of company inspections. The fee program was instituted along with a code citation program that enabled city firefighters to charge fees for code violations (like traffic tickets.) The cost for a fire company inspection was established at \$166 per company hour. The average time for a simple inspection was estimated at about fifteen minutes, so a charge of \$41.50 was established as the base rate for inspections. Buildings whose size or complexity require more time for inspection are charged in multiples of the base rate. When the company returns for a reinspection, another inspection fee is charged if the violation is not corrected, and that may continue to a third and all subsequent inspections. If the building is still not in compliance, a large fine and court costs may be assessed. Code violators may have the fines dropped once they have brought their businesses into compliance, but the inspection fees would still be payable. Occupancies that are required to pay a permit fee to operate do not have to pay for the associated inspections. Examples are hospitals and nursing homes.

Some fire service agencies have developed a self-inspection program in which a business does its own safety assessment using a checklist provided by the fire department. Once any identified deficiencies are corrected, the business sends in a fee and receives a certification of inspection, without an inspector having actually visited. Self-assessments only are useful for the simpler properties that do not require specialized knowledge to inspect. A mix of self-inspections and visits can also be used, for example in alternate years. Spot checks of self-inspected businesses also are useful. Self-inspections must be used cautiously and only where most owners comply in good faith. A good checklist needs to be sent to the businesses for the self-inspection. The main advantage of self-inspections is that they are very profitable — a fee is received for little or no work.

Some departments charge fees for each inspection visit, and allow owners to schedule the inspections. This type of program may cut down on the number of inspections required because people want to avoid the charge for a second visit, and do not schedule an inspection until they have already tried to get everything prepared for the inspector. Although the surprise element is lost, the program still serves a very useful purpose if owners fix the major problems in their properties on at least an annual basis.

Fire departments may also institute reinspection fees. Once written notice has been given to a code violator, a department could charge a reinspection fee for a second inspection and possibly charge additional amounts for every subsequent inspection. In some departments, code violators are charged a flat fee for follow-up inspec-



tions done by the fire marshal's office after station companies have already conducted two reinspections without achieving any compliance.

Plan Review Fees and Permits (Fire Only)

Many fire departments review building plans for fire code compliance and inspect the installation of the fire systems during construction. The fire department often receives part of the permit fees paid to the jurisdiction for these services.

Fees also are charged for occupancy permits, special hazards permits, reviewing plans for renovating buildings, and reviewing new fire protection systems in existing buildings. Fees also are often charged for inspecting day care centers, hotels, hospitals, nursing homes, spray painting businesses, and other specific occupancies that require special permits to operate.

Fees also are usually charged for permits that are required for hazardous activities such as open burning, public events, use of fireworks, making of movies, using large tents (circuses, etc.), and other special purposes.

One problem with plan review fees and permit fees is that they often are not set high enough to cover the costs of the services provided. They are among the traditional fees that developers, builders and others expect to pay but do not like to see raised from year to year. Local governments need to consider whether they want the fees to totally or partially cover their expenses for these (and other) services, and whether they want them indexed in some way or recomputed annually or at least every two

or three years.

FEES FOR SUPPRESSION, EMS, AND SPECIAL SERVICES

Some departments charge fees for service as a penalty, and some charge simply to raise funds.

Fire Suppression and Rescue Fees

In some U.S. cities (and several other nations), people responsible for fires may be held financially accountable for their actions, and have to pay fire suppression costs, especially when negligence, code violations, or criminal activity are involved in causing the fire. Recovery of costs from the guilty parties may help deter these problems.

Depending on state law, cost recovery measures may need to be approved by legislative action. Taking people to court to recover funds, such as suing for costs after a large incident, are often not successful without previously enacted legislation.

American fire department officials generally have been reluctant to use the cost recovery authority. If a person has suffered a loss due to a fire, fire departments are not accustomed to having to bill for responding to the fire and do not like to do so. Questions of equity, ability to pay, and other policy issues make cost recovery a difficult issue to resolve. There also is concern that the knowledge of having to pay costs might cause people to delay calling the fire department, and instead try to extinguish fires themselves. Nevertheless, a number of fire depart-



ments have identified instances where it is appropriate to charge those responsible for an incident, and do so.

The Ventura, California, City Fire Department has established guidelines for recovering costs for certain fire-related incidents, including unlawful discharge of fireworks resulting in a fire; intentionally set fires, including juveniles playing with fire; malicious false alarms; inadequate control of open burning; misuse of ignition sources (i.e. welding too close to combustibles), and incidents caused by the misuse of alcohol or any controlled substances, including vehicle accidents.

In addition to the Ventura City Fire Department’s cost recovery procedures, the Ventura County Municipal

Court has adopted procedures for ordering defendants involved in driving under the influence to pay for the emergency response costs incurred by the city, county, and state

Contact:

Ventura City Fire Department
1425 Dowell Drive
Ventura, California 93003
(805) 339-4300

Department of Recovery
(805) 339-4312

agencies. When a law enforcement agency files a complaint with the District Attorney, the complaint is clearly marked as an “Emergency Response Case,” and after a conviction, steps are taken to assure that restitution is made to the agency. Liability is limited to \$1,000 by California Code 1203.11 PC and 53150-53155 GC.

Ventura has a recovery department that computes the charges for services based on a scaled list of costs.

Fees are charged whenever costs are deemed “recoverable,” that is, whenever someone is found to have caused the incident through negligence or other factors on their list. Costs have been successfully recovered for a variety of incidents. Fees are charged on the basis of personnel and equipment used. Examples of hourly rates range from \$37 per hour for a firefighter to \$165 per hour for aerial apparatus.

Bellevue, Washington also has cost recovery provisions in its codes. It attempts to recover costs when a person is convicted of arson, when uncorrected code violations result in fires, when repeat responses are made to situations involving illegal burning, when mitigation of hazardous materials incidents exceed two hours, and when there are more than six preventable responses to false alarms made to one occupancy.

Cost Recovery for Routine Fire and Haz Mat Calls — The use of suppression fees in the examples above were intended to have prevention and even punitive overtones, but suppression fees also may be used for routine calls, especially for volunteer fire departments. In December 1991, the Common Council of the City of Waterville, Minnesota, enacted Resolution 91-R-050, establishing a fee of \$300 per fire call within the city limits. On December 1, 1998, the fire call charges went from \$300 to \$500 per call including false alarms. The fire call fee is applied to all fire-related responses. Homeowners are billed for service, and the bills are commonly paid by insurance companies. At present, Waterville does not bill for EMS.

During 1998, the department billed for 8 fire calls



and collected on all of them. The 1999 fire department budget is \$73,897. The majority of the department’s operating and capital funds come from a general property

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City Administrator
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Waterville, Minnesota 56096
(507) 362-8300

tax levy which is supplemented by the fire call charges. Waterville uses other sources for its funds as well. In the past, the department has received support

from the local Lions Club, a local bank, and others for purchasing a new rescue truck and EMS equipment. The City of Waterville also contracts with Waterville Township to provide fire protection. The township provides a tanker and all maintenance, insurance and expenses for the tanker, which is housed at the City of Waterville Fire Station.

The State of Indiana empowered its local volunteer fire departments to charge fees for fires, and haz mat responses. The state provided a suggested fee schedule: \$250 per major apparatus (engine, ladder) and \$150 per command vehicles. For the crew time, the state suggested an additional \$150 per hour for vehicles other than command and \$50 per hour for a command vehicle. Further, the departments are encouraged to charge for the replacement of expendable materials used and for the costs of collecting and disposing of hazardous materials associated with emergency calls. False alarms are not charged for. The volunteer departments in Indiana can choose whether or not to charge a fee and what fee structure to use; the state only suggests a fee schedule. The law requires that the money raised has to be used for the pur-

chase of new equipment, apparatus or physical facilities.

German Township, Indiana, for one, has been using these fees successfully, many of which are paid by insurance companies.

German Township does not press anyone to pay if their insurance company does not cover the fees charged. The department encourages the insurance checks to be written out to the department. The German Township Fire Department generates approximately \$15-20,000 annually through this initiative.

Contact:

German Township Fire Department
84000 St. Wendel Road
Evansville, IN 47720
(812) 963-9077
(812) 963-5622 FAX

Standby and Fireguard Fees

Also called firewatch fees, these fees are payments for having the fire service and/or EMS units standby at public events or large private gatherings where there is a danger of fires or accidents. Typically the fee is based on the number of personnel needed times an hourly rate. The hourly rate may be based on direct pay, overhead-loaded pay, or overtime pay, and may or may not be further loaded with a “profit.”

Sometimes fire, police and EMS agencies provide personnel who serve off-duty and are paid directly by the special event rather than through the municipality. Either way (on-duty or off-duty), protection is provided for a special purpose, and gets fully reimbursed for the service.



Hazardous Materials Fees

Hazardous material responses are a costly, time-consuming, and dangerous activity for most fire departments. Unlike fires, even seemingly minor hazardous materials incidents can keep fire companies out of service for long periods, and present danger to the public and emergency agencies.

To offset the expense of providing hazardous materials response capabilities, some fire departments have adopted a hazardous materials storage fee. Revenue from this fee helps ensure steady income for training and equipping hazardous materials units.

Some fire departments annually assesses properties that store hazardous materials. Fees may be based on the level of hazardous materials present as well as administrative time, air monitoring, and tank removal fees as necessary. The downside of haz mat storage fees (and many other fees) is the “financial nightmare” that can be created at first by the attempts of the department to bill and collect fees for service by itself. Some agencies may elect to have a county or city finance department handle the collections, or hire a private company to conduct the billing and collection activities.

Many departments now charge for hazardous materials responses, both to offset costs and as an incentive for properly managing hazardous materials. The fee also helps replenish materials and equipment used to mitigate a spill or other release. Federal law now requires the owner or transporter of spilled hazardous materials to pay cleanup costs, including fire department and EMS costs,

which helps justify these fees to the public, and makes it easy to start charging.

For example, the Casper, Wyoming, Fire Department charges a fee for hazardous materials responses, based on the authority of the Uniform Fire Code as adopted by the City of Casper and Natrona County. According to Casper city ordinance, any “person, firm, or corporation responsible shall institute and complete all actions necessary to remedy the effects of such unauthorized discharge...at no cost to the city.” When deemed necessary by the Chief, cleanup may be initiated by the fire department.

Contact:

City of Casper Fire Dept.
200 N. David Street
Casper, Wyoming 82601
(307) 235-8222

San Antonio, Texas charges \$400 for up to 4 hours of a hazardous materials response, and \$25 for every 15 minutes thereafter. (See Table 2.2.)

Special Services

Fees for “special” services attempt to recover or offset the costs from the users of the service. These fees may be charged for services ranging from removing water from a basement to standing by at special events such as a football game or concert. The users often pay less than they would if they had to contract privately for the service, and often receive intangible benefits such as communication links that can quickly get additional forces to the event if an emergency develops.



The downside of these special fees (and fees in general) is that the public may expect these services to be provided routinely, without further charge, in return for their taxes. A public education campaign may be necessary to prevent discontent and resistance. Special service fees can be presented to the public as improving equity to all taxpayers, by not using everyone’s taxes to subsidize those who use the special services.

When setting up special service fees, the same approach can be used as for other cost recovery fees. One must first estimate the cost of the service, and then tentatively decide how much of it is to be recovered. The reasonableness of the resultant fee then is judged, and the fee-setting iterated if necessary. Costs may be computed on an incremental basis; that is, what it costs the jurisdiction above the base of other services provided. One might not include salaries other than overtime if the staff providing the service would be paid anyhow, and no addi-

tional staff needs to be hired. The cost also might be computed on a fully-allocated cost basis—the proportionate share of all costs needed to provide the staff and equipment for the service, including salaries. The fee also may be set by some other philosophy, such as what the market will bear. Once the basis for the fee is determined and a charge for the service selected, the local jurisdiction may wish to formally adopt the special service fee schedule as part of its local ordinance.

The San Antonio, Texas, Fire Department is one of many departments using special service fees to meet expanding demands for new services, and to dissuade dangerous behavior. On May 6, 1993, heavy rains inundated San Antonio. Several motorists became stranded as they attempted to drive through low-lying areas where storm water runoff had accumulated. For receiving emergency assistance from the city to extract them from the dangerous flood waters, the people rescued received in-

Service	Fee
Hazardous Materials Response Fee	\$400 for first 4 hours plus \$25 for each 15-minute increment over 4 hours
Water Rescue Fee	\$400 per rescue
EMS Fee	\$250 per call
Fire Protection System Reset	\$100
Fire Inspection Reschedule (without 24-hours advance cancellation)	\$100
Fire Prevention Reinspection	\$40
Permits	Varies



voices for \$400 from the fire department. Some residents expressed dismay at this charge, calling it a fine, and challenging the fairness of charging people in distress for a needed service. However, city officials viewed the matter differently. The \$400 fee had been authorized by the San Antonio City Council in September 1991 to discourage residents from taking foolish chances attempting to cross dry creek beds or drive through flood zones. City officials were encouraged by the attention generated by levying these fees and hope many residents will recall this incident and think twice before taking unnecessary chances.

An interesting note is that even the U.S. Coast Guard now charges fees for rescues and various services. Additionally, a Search and Rescue Team successfully used to find skiers lost in the Aspen, Colorado, resort area in a well-publicized story in early 1993 charged those rescued for the rescue service because they had violated safety precautions. This concept is not unique to San Antonio.

The San Antonio water rescue fee is only one of a number of fire department service fees San Antonio enacted in the past 15 years, as shown in Table 2.2. These include fees for storing hazardous materials, a hazardous materials response fee, fire prevention permit fees, fire protection system permit and plan review fees, and retest, reinspection, and rescheduling fees. Some of the fees are designed to generate revenues, while others are intended to discourage safety violations.

The concept of fees for “special” (non-routine) services has been broadened in many fire departments to include fees for routine services where specific individu-

als, businesses, or organizations benefit disproportionately relative to the general taxpayers, even though the service provided is often in the public interest.

Some departments send out a bill for various “special” services. They may charge for any service that is considered beyond “normal.” These could include:

- A fire that got out of control where a permit was issued for controlled burning.
- Services provided on the nearby interstate, especially if outside the county, and especially if EMS was involved.
- Any EMS transport.
- Use of foam.
- Training classes.
- Any response to municipal buildings (which don’t pay taxes).

In addition, departments may charge fees for inspections, charge fees for burn permits, do vehicle maintenance on contract to others, and receive revenue for dispatching and communication services for other agencies.

Training Fees

Some departments recover part of the costs of training facilities and training staff by charging fees for any training provided to other local governments, or the

Contact:

Finance Officer
San Antonio Fire Department
115 Auditorium Circle
San Antonio, Texas 78285
(512) 299-8406



private sector. The charges may just offset costs, or they can be set to create a net income. Sometimes the training is done for a fee per student and sometimes it is provided under a contract.

When considering the use of training as a source of revenue, several factors should be addressed to make sure that the training of others does not adversely affect training in one's own department. Many departments are strapped to the limit or unable to provide all of the diverse training required today for firefighting, EMS, hazardous materials, etc. The department offering to train others must make sure it has the personnel and facilities available to provide the training without overloading its instructors or interfering with its own scheduled training. Also, serious consideration should be given to the liability that may be incurred by providing training. The local risk manager and government attorneys should be consulted; i.e., what if someone being trained from another jurisdiction falls from the training tower?

As a benefit, training can be a successful revenue source, and a way to maintain training specialists such as fire protection engineers or hazardous materials instructors that the department cannot afford full-time on its own.

In addition to fees for training others in fire protection or EMS, many departments train private citizens and businesses. Training such as CPR courses, public safety seminars, and fire extinguisher classes require relatively few training resources and fit well with the mission of fire departments, rescue squads, and emergency medical organizations. They can be quite profitable, too.

Training for fees is not limited to large fire departments: the Benicia, California Fire Department, serving a community of approximately 28,000, offers training programs to municipal governments, private industry, and other fire agencies. Topics are not limited to fire or rescue.

Contact:

Training Division
Benicia Fire Department
250 East L Street
Benicia, CA 94510-3272
(707) 746-4273
(707) 745-4425 FAX

Many for-profit courses are offered in diverse subjects ranging from disaster preparedness to CPR.

Providing training to others may or may not raise revenues but almost always provides a useful service. Communities need to decide whether they are doing the training altruistically, to raise revenues, or to help pay for certain specialists and facilities, and set fees accordingly. The courses offered have to draw some minimum attendance to be worthwhile.

Emergency Medical Service Fees and Charges

For many fire departments, emergency medical services, are offered as part of their basic public service package. However, as the demand for EMS has increased, jurisdictions have begun to look for ways to offset some of the costs of operating EMS and the firefighting infrastructure that supports basic and advanced life support services. Communities provide EMS in a variety of ways, and a number of different revenue policies have been tried. Most jurisdictions that provide ambulance transportation either charge transport fees or offer subscription plans



(described in the next section). Fees for the medical supplies used have also been adopted in some areas. Some jurisdictions also have added charges for treatment where no transportation is provided.

Special Note: All the examples provided in this section on EMS Fees and Charges are subject to change based on the Health Care Finance Administrations negotiated rule making process in process as this document was being developed. The outcome of the negotiated rule making process may significantly affect the methods of reimbursement for EMS fees and charges. All department actively billing for EMS fees and charges, or considering this as a revenue alternative, must become education on the negotiated rule making process and its outcomes to ensure the success of billing operations at present and into the future.

Another issue of critical importance is the validation of EMS fees and charges. Under no circumstances is it recommended that departments use figures from these examples as their EMS fees and charges without a validation process. Departments billing for EMS fees and charges or considering billing are encouraged to take steps to validate their fees and charges, through appropriate cost allocation measures. It is critical for departments to understand the true system costs before setting EMS fees and charges.

In 1976, San Antonio, Texas, adopted an EMS user fee schedule which charged varying amounts based on Medicare reimbursement rates for each of the procedures performed by field paramedics. In 1991, the cumbersome rate schedule was replaced by a simpler \$200

flat fee for service. In 1998, the fee was raised to \$250 per call. Note that this fee is not for transport, just medical care. The fire department contracts with a private firm to issue invoices and collect the EMS fees. Each month the firm receives a computer tape of all EMS reports for the purpose of generating the invoices. Every patient treated by EMS is sent a bill. Most are paid by third parties. Delinquent accounts are not aggressively pursued. Collections vary between 53 and 54 percent per year.

The EMS service fee has been successful in paying for a portion of the cost of maintaining the city's emergency medical service activities. Similar fees have helped the Fire Department maintain existing service levels, and in some cases engage in new services.

Transport Fees — In a number of cities, fire departments provide transport to hospitals and other medical facilities after administering on-site care. Some jurisdictions provide transport services only to time-critical patients, some to all advanced life support patients, and some to all patients requiring emergency ambulance transportation from EMS calls, regardless of whether ALS or BLS. Depending on the service and costs, the fees vary across the country, typically in the range of \$200-600. Many cities base part of the rate on mileage and consumable supplies. Rates also may reflect situations where multiple patients are transported in the same ambulance.

To collect fees for EMS, a city must establish a means to bill and collect the fees from its users. This process is often contracted out to a private collection service. Collection policy is an issue — under what circumstances do you press or not press for collection of the



fee? Although health insurance often covers all or a portion of transport fees, payments to the fire department may be delayed until the users receive their reimbursements. Direct billing of the insurance carrier is most efficient, but health insurance, such as Medicare, may not pay the full cost of the transport. And for those users without insurance coverage, payment may be difficult to collect.

Table 2.3 represents a matrix of EMS charges from fire and emergency services departments across the country. *(Please refer to the Special Note on page 2-20 when considering the information contained in Table 2.3.)*



Table 2.3 Comparison of EMS Billing Rates

Jurisdiction	EMS Department and Type	Population Served	First Responder Rates (\$)	BLS Rates (\$)	ALS Rates (\$)	Mileage Fees (\$/Mile)	Addl. Itemized Fees (\$)	Notes
Albuquerque, NM	Albuquerque Ambulance Service (Private Non-Profit)	411,994	0	123-360	166-412	12	0	
Anchorage, AK	Anchorage FD (Career)	253,649	0	400	450	3	0	
Arlington, VA	Arlington County Fire Dept. (Career)	174,603	0	225	300	0	Non-Resident = 75	
Baltimore, MD	Baltimore Fire Dept. (Career)	702,979	0	150	250	0	0	
Birmingham, AL	Birmingham Fire and Rescue Svcs. (Career)	264,527	0	N/A	285	6	O2 = 30	All transport units are ALS units.
Boise, ID	Ada County EMS (Third Service)	145,987	0	356	442	7.88	O2 = 34; Meds/Equip Extra	
Buffalo, NY	Rural Metro (Private For-Profit)	312,965	0	395	495	6.5	O2 = 26.80; Meds/Equip Extra	
Charlotte, NC	Mecklenburg EMS Agency (Private For-Profit)	437,797	0	340	740	7	0	
Cincinnati, OH	Cincinnati Fire Division (Career)	358,170	0	180	425	0	0	
Columbus, OH	Columbus Division of Fire (Career)	635,913	0	0	0	0	0	
Dallas, TX	Dallas Fire Department EMS Division (Career)	1,022,830	0	0	241	5	O2 = 30; O2 Mask = 12; EKG = 39.36; IV Kit; Startup = 25.37; Meds/Equip Extra	
Denver, CO	Denver Health Paramedic Division (Career)	493,559	0	181.75	181.75	10	BLS Transport = 168.25; ALS Transport = 243.25; O2 = 54.5; Splinting = 64.75; IV = 58; Restraint = 45.75; Medical Control = 50; Meds = 20/Ampule; EKG = 70; Intubation = 96	Denver Health will be instating a critical care transport team with charges to be determined.



Table 2.3 Comparison of EMS Billing Rates (Continued)

Jurisdiction	EMS Department and Type	Population Served	First Responder Rates (\$)	BLS Rates (\$)	ALS Rates (\$)	Mileage Fees (\$/Mile)	Adtl. Itemized Fees (\$)	Notes
Fairfax County, VA	Fairfax County Fire & Rescue Services (Combination)	851,900	0	0	0	0	0	
Hartford, CT	American Medical Response (Private For-Profit)	124,196	0	340	422	9.5	CT (BLS) Surcharge = 110, CT (ALS) Surcharge = 178; Night Surcharge = 9.5	All transports are aboard ALS units.
Las Vegas, NV	Las Vegas Fire Department (Career)	327,878	0	350	400	7.5	0	
Lewisburg, PA	Evangelical Comm Hospital (Private Non-Profit)	12,000	0	Not Provided	325	3	O2 = 25; C-Collar = 20; If Rescue = 100; If Heavy Rescue = 250	All transports are aboard BLS units so combined cost of 550.
Lewisburg, PA	WM Cameron Engine Co. (Combination)	12,000	0	225	Not Provided	3	O2 = 25; C-Collar = 20; If Rescue = 100; If Heavy Rescue = 250	
Lewiston, ME	United Ambulance Service (Private For-Profit)	39,757	0	203	383	12		
Los Angeles, CA	Los Angeles City Fire Dept. (Career)	3,448,613	0	332	565	11.25	0	
Louisville, KY	Louisville Division of Fire (Career)	270,308	0	170	285	BLS: 2.5 ALS: 3.5	0	
Memphis, TN	Memphis Fire Dept. (Career)	614,289	0	100	100	0	Transport Fee = 150	911 callers requiring EMS response automatically charged \$100.
Miami, FL	Miami Fire Rescue Department (Career)	810,000	0	175	280 *	7.5	O2 = 25 *; Meds/Equip = 25	All transports are aboard ALS units; Patients categorized and billed as BLS or ALS. Also *** represents figures subject to change in the near future.



Table 2.3 Comparison of EMS Billing Rates (Continued)

Jurisdiction	EMS Department and Type	Population Served	First Responder Rates (\$)	BLS Rates (\$)	ALS Rates (\$)	Mileage Fees (\$/Mile)	Addl. Itemized Fees (\$)	Notes	
Montgomery County, MD	Montgomery County Fire Rescue Service (Combination)	373,024	0	0	0	0	0	EMS covered by 911 tax and other taxes.	
New Orleans, LA	New Orleans Health EMS (Combination)	484,149	0	75	75	City Limits: 10; Outside City: 15	Transport Fee = 325; Meds/Equip Extra		
Portland, OR	American Medical Response (Private For-Profit)	450,777	0	466.22	570.66	9.67	0		
Plano, TX	Plano Fire Dept. (Combination)	157,394	0	275	275	7	Non-Resident = 55; O2 = 30		
Sacramento, CA	Sacramento Fire Dept. (Career)	734,676	0	515.43	591.16	12.95	O2 = 55.12; Meds/Equip Extra	3	
San Francisco, CA	San Francisco Fire EMS Division (Career)	520,947	0	315	568	12	O2 = 57; Meds/Equip Extra		
Seattle, WA	Seattle Fire Dept. (Career)	368,215	0	0	0	0	0	EMS covered by taxpayers.	
Saint Louis, MO	Saint Louis Fire Dept. (Career)	567,094	0	Not Provided	275	4	0	All transport units are ALS units.	
Salt Lake City, UT	Gold Cross Ambulance (Private For-Profit)	171,849	140.32	249.1	362.42	9.92		FD serves as First Responders	
Spokane, WA	American Medical Response (Private For-Profit)	192,781	0	285	350	10	O2 = 33		
Stamford, CT	Stamford EMS (Private For-Profit)	107,199	0	312	494	5.8	ALS Intercept (Rendezvous) = 487; Night Charge (7AM-7PM) = 77		
Tampa, FL	Tampa Fire & Rescue (Career)	285,523	0	170	320	5	O2 = 32; IV Solution = 32; Meds = 32/Ampule; Extrication/Special Handling = 62		
Tucson, AZ	Tucson Fire Dept. (Career)	434,726	0	0	0	0	0		
Washington, DC	DC Fire & EMS Department (Career)	567,094	0	207	362	0	0		
AVERAGE						\$218.52	\$319.18	\$5.51	



The Omaha, Nebraska, Fire Division charged \$280 per transport in 1997/1998. They staff ten paramedic ambulance units with two firefighter/paramedics per unit. For billing, Omaha contracted with a private collection agency that sent the bills and followed up with patients and insurers to collect fees. Most of the bills are

Contact:

Omaha Fire Division
1516 Jackson Street
Omaha, Nebraska 68102
(402) 444-5700
(402) 444-6378

paid by insurance companies. In 1997, the collection agency had a 52.11% collection rate and received 5.5% of collected fees. Fire and EMS agencies need to consider the bottom

line obtained by their billing service, and not just the rate the collection agency charges for billing.

In Volusia County, Florida, a non-profit private ambulance company hired by the county does almost all EMS transport and charges a fee. The difference in this case is that the county pays the shortfall between fees collected and the costs.

The Alachua County, Florida, Fire & Rescue Department protects over 205,000 residents spread over 950 square miles, as well as students and staff from Santa Fe Community College and the University of Florida. Alachua County responded to 32,822 calls for emergency assistance in 1998. Alachua County Fire and Rescue is the sole EMS transport provider for Alachua County. The total department budget is over \$24 million, with a large portion budgeted for emergency medical service. For ambulance transports and emergency care the department collects approximately \$3.5 million in fees per year. Their

detailed fee schedule is shown in Table 2.4. Billing is done in-house by four clerks and a supervisor. An outside collection agency is contracted to go after delinquent accounts. Alachua County claims a recovery rate of about 74 percent.

Contact:

Alachua County Fire and Rescue
PO Box 548
Gainesville, Florida 32602
(352) 955-2435
FAX (352) 955-2492

(Please refer to the Special Note on page 2-20 when considering the information contained in Table 2.4.)



Table 2.4 Alachua County Fire/Rescue Fees and Charges for Service

DESCRIPTION OF PROGRAM	APPROVED FY 1997-98	PROPOSED FY 1998-99
BASIC CHARGES		
ADVANCED LIFE SUPPORT TRANSPORT FEE: This is the base ALS transport fee that will be charged to each patient when an emergency response is provided and the patient is transported by any ground or air ambulance. This fee is inclusive of any of the following procedures: cardiac monitoring/defibrillation, intravenous insertions, endotracheal intubation, esophageal gastric tube airway placement, obstetrical kits, mast suit applications, dextrose stick, glucometer, medications (see attached list), sterile bandaging, simple splinting, traction splinting, sterile burn pack, oxygen administration and spinal immobilization without ALS intervention.	\$345.00	\$345.00
NON-EMERGENCY TRANSPORT FEE: This is the base transport fee that will be charged to each patient transported when the response to the incident location is non-emergency and an ALS procedure is not administered.	\$200.00	\$200.00
TEAM/EQUIPMENT/ORGAN TRANSPORT FEE: This is the base transport fee that will be charged for each transport where a patient is not on board (i.e. organs, medical teams and/or medical equipment) regardless of the response provided.	N/A	\$95.00
ALS PARAMEDIC TREATMENT FEE/NON-TRANSPORT: This is the fee that will be charged to each patient that receives any of the following procedures and is not transported via ground or air ambulance: intravenous insertions, obstetrical kits, medications (see attached list).	\$115.00	\$115.00
BLS PARAMEDIC TREATMENT FEE/NON-TRANSPORT: This is the fee that will be charged to each patient that receives any of the following procedures and is not transported via ground or air ambulance: sterile bandaging, simple splinting, traction splinting, sterile burn pack, oxygen administration.	\$70.00	\$70.00
STRETCHER/NON-MEDICAL TRANSPORT/ONE-WAY/RURAL: Base transport fees to be charged for each non-emergency stretcher transport.	N/A	\$45.00
STRETCHER/NON-MEDICAL TRANSPORT/ONE-WAY/URBAN: Base transport fees to be charged for each non-emergency stretcher transport.	N/A	\$35.00
STRETCHER/NON-MEDICAL TRANSPORT/ROUND TRIP/RURAL: Base transport fees to be charged for each non-emergency stretcher transport. A round trip transport is an initial transport to a facility and the return trip back to the originating facility during the same calendar day or when the return trip to the originating facility occurs within four hours of the initial transport.	N/A	\$75.00
STRETCHER/NON-MEDICAL TRANSPORT/ROUND TRIP/URBAN: Base transport fees to be charged for each non-emergency stretcher transport. A round trip transport is an initial transport to a facility and the return trip back to the originating facility during the same calendar day or when the return trip to the originating facility occurs within four hours of the initial transport.	N/A	\$65.00
SUPPLEMENTAL CHARGES		
MILEAGE/ALS TRANSPORT: Minimum one mile. Charge will begin when transporting patient(s) or specialized teams. All patients will be charged the full mileage rate regardless of number of patients transported from the same incident or in the same unit.	\$5.70/mile	\$5.70/mile
MILEAGE/BLS TRANSPORT: Minimum one mile. Charge will begin when transporting patient(s) or specialized teams. All patients will be charged the full mileage rate regardless of number of patients transported from the same incident or in the same unit.	\$4.00/mile	\$4.00/mile
MILEAGE/STRETCHER/NON-MEDICAL TRANSPORT: Charge will begin when transporting patient(s) out of Alachua County. A base rate will not be charged for stretcher transports originating and/or ending outside of Alachua County.	N/A	\$2.50/mile
ALS TRAUMA FEE: This is the supplemental fee to be charged to each trauma patient that requires ALS intervention to include intravenous insertions, Mast suit application, medications (see attached list), endotracheal intubation and esophageal gastric tube placement and full spinal immobilization that includes cervical immobilization device, collar backboard, straps, etc.	\$57.50	\$57.50
SPECIAL HANDLING: This is the supplemental fee to be charged for unruly patients that require restraints, or if two Alachua County units are required for lifting purposes, or if an additional crew member is required during transport.	\$46.50	\$46.50



Table 2.4 Alachua County Fire/Rescue Fees and Charges for Service (Continued)

DESCRIPTION OF PROGRAM	APPROVED FY 1997-98	PROPOSED FY 1998-99
WAITING TIME: This is the supplemental fee to be charged when an Alachua County Fire Rescue team is required to wait at a medical facility or airport with a patient. A minimum of 15 minutes waiting time must accrue before charging for the first 1/4 hour period. Only time increments greater than 7 minutes will be rounded up to the next 1/4 hour.	\$29.00 per 1/4 hour	\$29.00 per 1/4 hour
SPECIAL EVENT STANDBY		
ALS AMBULANCE	\$88.00/hour	\$88.00/hour
ADDITIONAL STAFFING: Events requiring additional personnel.	\$20.00 per hour per person	\$20.00 per hour per person
AMBULANCE MEMBERSHIP PROGRAM		
SINGLE MEMBERSHIP: Covers the uninsured portion of ambulance bill(s) for medically necessary ambulance service originating and terminating in Alachua County for a twelve-month period.	\$42.50	\$42.50
FAMILY MEMBERSHIP: Covers the uninsured portion of family members' ambulance bill(s) for medically necessary ambulance service originating and terminating in Alachua County for a twelve-month period. Family members are defined as head of household, spouse and children under the age of 18 living in the same household.	\$70.00	\$70.00
OTHER		
MEDICATIONS INCLUDED IN BASE RATE: Activated Charcoal, Adenosine, Albuterol, Atropine, Benadryl, Betylium, Calcium Chloride, Dextrose, Dopamine, Epinephrine, Furosemide, Lidocaine, Magnesium Sulfate, Methylprednisone, Morphine, Naloxone, Neosynephrine, Nitroglycerine, Sodium Bicarbonate, Thiamine, Valium, Ventolin	-	-



The Lake Worth Fire Department in Palm Beach County, Florida, is another that uses transport fees to help raise revenues for its emergency medical services. The department charges a base rate of \$310 for advanced life support, and \$215 for basic life support. An additional charge of \$6 per mile of transport is also assessed. The department is currently using a neighboring municipality for billing which charges \$6.10 per run. These fees were established by reviewing charges from other EMS providers, both public and private, and choosing a middle value. The department was able to outbid other care providers to provide EMS in the City of Lake Worth.

The Lake Worth Fire Department serves an ethnically diverse and elderly population in a 5 square mile metropolitan area. The department runs about 6,500 calls per year, operating 3 ALS medic units. In 1997, over \$300,000.00 was generated from these transport fees.

A potential downside to charging fees for EMS is that it may jeopardize the “Good Samaritan” protection for many EMS providers, especially in volunteer organizations. This may also lead to higher departmental insurance charges. Departments exploring billing should check with their insurance companies and local attorneys to make sure their personnel are still protected from liability under state statutes.

Also, it is extremely important to get expert legal advice before billing for EMS services to insure that requirements of Medicare and Medicaid are met to avoid fraud and abuse charges. Lastly, and most importantly, departments MUST be familiar with the Health Care Finance Administrations negotiated rule making process and

how it will impact fees, charges and billing for the department individually and for EMS billing as a whole.

SUBSCRIPTION FEES

Emergency medical services and fire protection are being provided in some jurisdictions using subscriptions. These are small annual fees paid by participating households or businesses to avoid large special service fees if they use the service.

The concept of subscriptions dates back to the early years of our nation, when fire marks on buildings indicated which fire service had been subscribed to, if any. The modern version of subscriptions is essentially insurance against being charged a large fee when a fire or need for EMS occurs.

Fire Protection Subscription Programs

Fire protection is offered by subscription much less frequently than are EMS services. Subscription fees for fire protection are, however, used by some volunteer departments. The Tontitown Area Volunteer Fire Department in Arkansas covers 35 square miles and protects 2,500 people. It responds to approximately 125 calls for fire and medical assistance each year. Established in 1979 as a non-profit organization, and receiving no tax funds, the department included a subscription membership program as part of its articles of incorporation. Subscribers are not charged for emergency calls. Non-members are charged \$200 for the first hour of fire department operations, and \$100 for each additional hour. These charges are often recovered through insurance payments. The fire



MEDICARE, MEDICAID AND EMS BILLING

Medicare reimbursement rates have a substantial effect on ambulance service providers because Medicare patients are generally a substantial percentage of the people who use ambulance services and because Medicaid reimbursement rates are frequently tied to Medicare reimbursement rates, even though Medicaid is a state responsibility.

Ambulance services that are not part of a hospital bill Medicare under “Part B.” Medicare Part A is for hospital expenses. Part B is for non-hospital expenses, including ambulance services.

Medicare pays the lowest of the amount billed, the provider’s customary bill, the 75th percentile bill for the region, the provider’s Inflation Index Charge (IIC), and the prevailing IIC for the region. IICs are 80 percent of the “allowed amount” for a given service provided (i.e., they are what the federal government will reimburse). IICs are increased on a yearly basis by the Consumer Price Index-Urban (generally about three percent per year). When ambulance services submit low bills, they depress their individual reimbursement rates as well as the reimbursement rates for the region.

In other words, increases in Medicare reimbursement occur on a yearly basis and are controlled by the Consumer Price Index. An ambulance service increasing its bill will not cause an increase its Medicare reimbursement. However, decreases in ambulance service bills can cause a decrease in Medicare reimbursement.

Under Medicare regulations, providers must bill beneficiaries for co-payments; however, the degree to which a provider chooses to pursue payment is left to the discretion of the provider. In other words, providers cannot simply dismiss the co-payment portion of a bill, but they do not have to be aggressive about collecting it. If a provider routinely waives the co-payment portion of a bill, Medicare will begin to reimburse as if its previous reimbursement amount was the bill (i.e., Medicare will begin to reimburse only 80 percent of what it has been reimbursing). Further, Medicare could request that the provider refund a portion of the “overpayment.” Therefore, it behooves a provider to ensure that it bills the co-payment portion of an ambulance bill.

Medicare permits ambulance services not to bill subscription plan members for the co-payment; however, the subscription plan membership fee must be actuarially sound (meaning that the total annual membership fees exceed the good-faith estimate of the co-payments that



are not billed). Medicare views membership fees that are insufficiently low to cover co-payments (i.e., “programs [that] are not based on actuarial risk, but instead are a sham used to disguise the routine waiver of co-payments and deductibles”)¹ as illegal.

While most communities have elderly residents and, therefore, Medicare users, the number of Medicaid recipients in a community is largely dependent on the income demographics of that community, so the impact of Medicare reimbursement policies will be greater on services in poorer communities and less in richer communities. Medicaid reimbursement is a state function, but the federal government matches state Medicaid funds on a sliding scale.

Unlike Medicare, federal rules governing Medicaid matching grants stipulate that states cannot require co-payments or deductibles from Medicaid beneficiaries. In other words, whereas Medicare reimbursements constitute only part of the revenue for a given patient bill, Medicaid reimbursements are the entire reimbursement. Reimbursement for Medicaid patients is typically even lower than for Medicare.

Special Note: The Health Care Finance Administration’s negotiated rule making process taking place during the development of this manual may affect the information contained within this section. Departments should consult their legal and financial advisors, and keep abreast of the Health Care Finance Administration’s actions to determine how it will impact the agency.

¹ Editor. “Six Cities Sued for EMS Medicare Fraud,” *EMS Insider*, May 1999, Vol. 26, No. 5, p. 3.



department may, under Arkansas law, place a lien against a property for failure to pay, but this has never been necessary.

The subscription fee program consists of two types of payments, an initial fee set at \$100, which covers entry into the Fire Association and the first year's dues, and an annual fee set at \$25 a year, to maintain membership. Businesses or families may enter the Association at any time, and membership renewals are due the first of January each year. The Tontitown Area Fire Department

Contact:

Tontitown Area Fire Dept.
PO Box 42
Tontitown, Arkansas 72770
(501) 530-2776
FAX (501) 751-4510

estimates that approximately 60% of the citizens in their jurisdiction are members of the subscription program. The annual subscription fees raise more than \$20,000 for

the department, allowing the operation of seven pieces of apparatus from two stations. (Tontitown also raises additional funds through an annual carnival and state grants.)

The Masonville Fire Department in Kentucky is another volunteer department that has successfully used subscription fees. They provide protection for 2,900 homes. Masonville's budget is approximately \$40,000 a year, most of which is supplied through subscriptions, with additional funds from Kentucky state grant programs. These funds allow Masonville's volunteers to provide service from two stations.

Masonville charges \$25 a year per household, \$50 a year per commercial property (including schools and churches) and \$150 for industrial property. Over 56 percent of the eligible property owners subscribe to Masonville's service. For those citizens that choose not to subscribe, service is provided for a fee. Non-subscribing residential property owners are charged \$300 for the first two hours of service, \$95 for each additional hour, and \$2 per mile traveled. Non-subscribing industrial property owners are charged \$500 for the first two hours of operations.

Contact:

Masonville Fire Department
7050 U.S. 231
Utica, Kentucky 42376
(502) 729-4068

In the past, subscription programs for fire protection created controversy when they refused to extinguish fires in non-subscribing households. Some people may still think that if they do not subscribe to their fire department, they will not receive service, rather than be charged a fee. Communities considering subscription programs need to inform their public about the planned rules, and reduce the misconceptions.

EMS Subscription Programs

In a growing number of jurisdictions, EMS subscription fees are being used as an alternative to directly charging users of emergency medical transport services. There are two basic types of subscriptions. The first is a flat yearly fee per household, which covers all charges for any EMS service provided. In the second variation, a



small annual fee covers all expenses not paid by medical insurance. The user signs up for the program and authorizes the department to file reimbursement claims directly with the user’s health insurer when services are provided. Most insurance plans do not cover the full cost of transport, and the jurisdiction may choose to write off the uncovered portion of the fee; i.e., the jurisdiction does not try to collect the remaining balance from the user. If not a subscriber, the user is charged the full transport fee and is directly responsible for paying it.

EMS subscription plans are in place in a number of communities across the United States. Oregon has a number of jurisdictions using subscription programs. The cities of Eugene and Springfield, Oregon, offer an EMS subscription program. For \$39 a year, a household can avoid paying for ambulance service on a fee-for-service basis. Eugene and Springfield’s base charge for ALS ser-

vice is \$550. Table 2.5 compares household subscription and fee-for-service charges for six of the Oregon communities offering EMS subscription plans.

It is difficult to anticipate how many people will actually subscribe to an EMS subscription program, but the experience of subscription-based EMS systems is that approximately 15% of the households can be expected to participate. Clearly, any move to a subscription-based program should be preceded by a thorough market analysis to project a subscription rate.

The overhead costs of a subscription program and the potential loss of patient revenues to subscribers who use the service will slightly reduce patient revenue for departments using a straight fee-for-service plan. Current estimates by departments using subscription programs is that subscribers use EMS at a rate about double that of

Table 2.5 Comparison of Household Subscription Fees and EMS Base Charges in Oregon

COMMUNITY	SUBSCRIPTION FEE	ALS BASE CHARGE	BLS BASE CHARGE
Albany	\$45 in district/\$60 out	\$500	\$400
Baker	\$39	\$400	\$300
Corvallis	\$50	\$500	\$500
Bend	\$40	\$515	\$475
Burns	\$40	\$270	\$170
Eugene/Springfield	\$39	\$550	N/A



non-subscribers. However, because subscribers constitute a small portion of the base population, subscriber usage is usually offset by that of non-subscribers.

Table 2.6 is based on a model created by Dennis Murphy of the Springfield Fire and Life Safety Department in Springfield, Oregon. It illustrates the various revenues that could be generated under an EMS subscription plan, assuming that 10 percent of the households in an imaginary service area joined the subscription plan. Departments can substitute their actual figures into this model to help predict whether an ambulance subscription pro-

gram will be economically viable.

As was noted earlier in discussing direct charges for EMS services, it is important to get legal advice when setting up a subscription program so that requirements of Medicare and Medicaid are met by the approach taken. Departments must also consider the administrative time and requirements that will be necessary upon implementation of a subscription program.

Table 2.6 Subscription Program Revenue Calculations (Assuming a 10% Subscription Rate)

	Non-Subscribers	Subscribers*
<i>General Information</i>		
Population	44,786	4,976
Households	14,447	1,605
Fee Per Household	\$0	\$50
Subscription Fees Generated	\$0	\$80,250
Patients Transported	1,791	398
Utilization Rate	4%	8%
Average Billing Per Patient	\$560	\$560
Average Insurance Per Patient	\$414	\$414
Average Collected Per Patient	\$480	\$414
Total	\$859,680	\$164,772
<i>Revenue Comparison Per 1,000 Persons</i>		
Population	1,000	1,000
Utilization Rate	4%	8%
Patients Transported	40	80
Collection Per Patient	\$480	\$414
Patient Collection Revenue	\$19,200	\$33,120
Number of Households	323	323
Fee Per Household	\$0	\$40
Membership Fee Revenue	\$0	\$12,920
Total Revenue	\$19,200	\$46,040
<i>* Assumes 10% Subscription Rate</i>		



DEVELOPMENT IMPACT FEES

Significant amounts of money can be raised through “impact fees” or “development impact fees” in which developers are charged a fee for each new structure or development they build to help pay for the fire and EMS capital resources to serve their area. Development impact fees are most pertinent to communities that are growing or where redevelopment creates a need for new fire stations, apparatus, or other resources. The main advantage of these fees is that the private sector pays for much of the new stations, apparatus, and land. The main disadvantage is that the department is encumbered to staff and operate the new stations indefinitely, and must not start up more stations than it can afford to staff for the long run.

The Orange County, Florida, Fire and Rescue Division, for one, has made excellent use of this approach. In Orange County, originally the impact development fees were collected by battalion area, and had to be spent within that battalion area by local law. In 1998, an ordinance change combined the separate areas into one countywide benefit district. Fees can be expanded to meet the total needs of the system. The expenditure of the funds must be a direct result of the consequences of growth that places demands on or overburdens the existing system or service. With these fees, an air and light truck was purchased, with its associated equipment, and another unit for tunneling and shoring in technical rescue operations is planned. Equipment for EMS can also be purchased with the impact fees. Only first-time purchases of equipment are allowed; replacements of breathing apparatus, protective outfits, and refurbishment of equipment previously

purchased under development impact fees is not permitted, by interpretation of the Orange County Commission.

In locations where new areas are being incorporated, and fire protection boundaries shifting, care must be taken that stations approved by one department through impact fees are not soon “dropped” on another community to staff indefinitely. Regional planning and cooperation can help avert problems.

FINES AND CITATIONS

As discussed earlier, some communities charge fees for negligent fires or for re-inspections associated with failure to comply with codes. But in some places the punitive nature of these charges is more directly advertised by calling them fines and citations.

Citations

Most fire departments are ready to help people correct code violations and prefer to achieve compliance through a cooperative effort rather than through legal or financial means. However, some departments have stimulated a decriminalization of some fire code violations to allow fire inspectors to cite violators with the equivalent of a traffic ticket without having to prosecute them in court. The citations are also used to raise revenues (as are tickets).

Contact:
Orange County Fire and Rescue Division
4700 Lake Underhill Road
Orlando, FL 32807
(407) 836-9000
FAX (407) 836-9106



The ability to issue citations provides inspectors with another tool to encourage violators to comply. It can be more effective and less time consuming to issue a “ticket” than to go through all the steps needed to bring someone to court, and they may not be punished in the end. Effort should be made to achieve compliance without using this authority, but in situations where departments are unable to get the code violations resolved through cooperative efforts, fines might be levied. To implement this alternative, a department has to determine what codes are appropriate for decriminalization, establish an appeal process, and establish a method for enforcing the collection of the fines.

While local law drives some jurisdictions to decriminalize code violations and use citations, other jurisdictions go the opposite way and select code violations to be criminalized to achieve the same end. One needs to understand local and state law to decide whether criminal or civil law works best for these purposes in a particular community.

The San Francisco Fire Department started a citation program in the early 1990s. City ordinances were changed so that fire code violations became a criminal offense, either an infraction or a misdemeanor. All fire operations officers at the rank of captain and above, all code inspectors, and all fire investigators were given the authority to issue citations similar to traffic tickets for fire code violations. After initial warnings, citations are issued, with fines typically starting at \$100. The fines double for a second offense, and the fine for a third or greater offense within one year is \$500. None of these fines may be suspended. If convicted of misdemeanor, a

fine of no less than \$500 and no greater than \$1,000 may be imposed, imprisonment in county jail for 6 months, or both a fine and imprisonment. San Francisco businesses are said to have greatly increased their compliance with fire codes since this program was started. The fire department has an easier time in pursuing repeat offenders through the criminal courts system than through the civil courts.

In San Francisco, fire code violation revenues go directly into the City general fund, but the fire department has been successful in recovering some of the costs of the fire inspection division through this program.

Court Fines for Code Violation

In some cases judges have directed that a portion of fines paid for fire code violations be returned to the fire department to support code enforcement. However, few code violations ever get carried as far as court, and court fines have not been a lucrative source of funding.

Penalties for Nuisance Alarms

For many fire departments, nuisance alarms represent a large number of responses. These include malicious false alarms and alarms that come from automatic fire alarm systems, often as a result of inadequate maintenance, design, or operation.

Contact:
San Francisco Fire Department
698 2nd Street
San Francisco, CA 94107
(415) 558-3400



Most new commercial buildings and an increasing number of residences have automated fire detection systems that can trigger unnecessary automatic responses by the fire department, particularly when the alarm systems are not properly installed or maintained. Repeat offenders — particular homes, businesses, or buildings — make up a large number of false alarms. Each false alarm response creates some danger for the public and the firefighters. Valuable resources are used unnecessarily, and the units are not available for actual fires or other calls.

Several cities have instituted false alarm charges to encourage better maintenance of systems, to place greater responsibility on the building or business owner for unnecessary or inappropriate actions triggering alarms, and to recoup some of the costs of responding to these types of alarms.

In Bellevue, Washington, only one “preventable” fire alarm is allowed from an alarm system during a calendar year. If a second preventable alarm occurs, the city charges a \$50 fee. For any subsequent alarms, a \$75 fee is charged. “Preventable alarms” include activations caused by improper installation or maintenance; erroneous transmissions;

work on alarm systems when reasonable steps were not taken to prevent reporting of an alarm; fire drills or tests of alarms; work such as

painting or welding; and smoke or fumes from closed fireplace dampers, cooking, or smoking of tobacco products. When a false alarm occurs, the responsible party must submit a written report within thirty days to the fire chief stating the reasons for the alarm and the corrective action taken to prevent a recurrence. Bellevue also has an appeals process.

The City of Boston Fire Department was faced with false alarms that placed a burden upon their operations. A city ordinance was enacted in 1988 enabling the fire department to charge fees for false alarms on a sliding scale. In just three years, the number of false alarms dropped from over 9,000 per year to 5,000 per year, a decrease of 44 percent. In 1997 there was an additional 10% reduction in false alarms. While intended to reduce alarms, not create a new revenue source, the City nevertheless brought in over \$280,000 out of \$400,000 in fines billed under this pro-

gram. Some businesses failed to pay the fines levied against them, so the city amended its false alarm ordinance to allow a lien to be placed against any property until the fines are paid. While some properties are exempt, such as those owned by city, state, and federal government and financially insolvent properties, the city has for the most part achieved its objectives.

Small departments can benefit from false alarm

Contact:

Fire Marshal
Bellevue Fire Department
766 Bellevue Way SE
Bellevue, Washington 98009
(425) 452-6874
FAX (425) 5287

Contact:

Fire Investigation Unit
Boston Fire Department
920 Massachusetts Avenue
Boston, Massachusetts 02118
(617) 343-3324
(617) 343-2206 FAX



fees as well. Not only do these fees increase revenues for departments, but may result in a reduction in false alarms.

Seat Belt Fines

The state of Alaska adopted legislation to assist in enforcing seat belt use as well as to create revenue for emergency medical service departments in the state. The legislation states that if a person is guilty of an infraction concerning seat belt usage, they may be fined up to \$15. The courts have the ability to waive this fee if the person convicted donates \$15 to the emergency medical services entity providing services in the area in which the violation occurred. This program generates a small amount of supplemental funding for the EMS agencies in the state.

COST SHARING

One of the most sensible ways to raise funds is to share costs for facilities and services with nearby jurisdictions. This often looks good to the citizens and fosters intergovernment cooperation. It can but does not have to be a step toward consolidation of services. The downside is that control of the resources must be shared as well as the costs.

Sometimes shared resources are purchased and owned by one entity with the other paying some pro rata share of operating costs. Sometimes each entity shares ownership and costs and sometimes no money changes hands; each entity contributes staff or material resources.

Collaborating with other fire departments can leverage funds to produce a program or allow joint use of

equipment or facilities that would otherwise not be possible. Training facilities, heavy rescue equipment, ladder trucks, and communications systems often are purchased jointly. Some neighboring departments have shared the costs of building stations that serve areas of both jurisdictions. Other areas where shared resources have successfully been used are inspection services, dispatch and communications, and special emergency response teams such as hazardous materials or water rescue.

Some groups of fire departments produce public education programs together. The prevention program with its specialized props and visual aids then rotates among the participating departments. Fire safety houses mounted on trailers and home sprinkler demonstration trailers are two examples of prevention resources often purchased through cost-sharing.

In many areas across the country, groups of fire departments jointly have employed specialized personnel, such as a fire protection engineer, for plans review and haz mat planning, that none of the agencies could afford alone.

The Pinellas County, Florida, Fire Chiefs Association stood behind the efforts of the county fire marshals and safety educators to unify all 24 county fire departments into a Save Cans for Safe Kids program. The cooperative efforts of the departments allowed the program to raise over \$11,000 a year from recycled aluminum cans. The group arranged with a local recycling company that both provided bins for collecting cans as well as paid 5¢ over the market price per can collected. Hotels and companies allowed the bins to be placed at their



locations. Money raised through this program was used to fund many county-wide fire prevention and education programs for children, including a video library, public safety advertisements, a mobile fire safety house, and a public fire safety education curriculum for children in kindergarten through fifth grade. Other funds were contributed to a drowning prevention coalition and to the American Burn Survival Foundation.

In Kalamazoo, Michigan, the city fire department had the staffing to put on a fire prevention program but lacked funds for resources. Other area departments lacked

staffing but were able to provide some funding. The result was a multi-jurisdictional plan, started in 1986, to develop a thorough fire prevention and education program. Resources

were combined into the Kalamazoo Area Fire Marshal's Office, where five Fire Marshals were employed by the four largest area municipalities. Most prevention programs developed by the office were then funded through private and corporate donations, enabling an expansion of the fire prevention program.

Cost sharing may involve consortia extending beyond local jurisdictions. The Tidewater area of Virginia benefits from a regional technical rescue team established over a decade ago. The team resulted from the

cooperative efforts of several jurisdictions which grouped together and agreed to provide personnel, benefits, and compensation for the Team. The participating jurisdictions included the Virginia cities of Virginia Beach, Portsmouth, Chesapeake, Norfolk, and Franklin, and two military bases, the Little Creek Amphibious Base and the Norfolk Naval Air Station.

The Tidewater Technical Rescue Team had to raise money on its own for start-up costs, but within a year and a half had raised over \$200,000 from private donations for equipment and vehicles. Additional money was raised by training construction workers and utility companies in confined space operations and tactical operations such as rope rigging and shoring techniques. These contractors were targeted because of the likelihood that they would be the end users of the Technical Rescue Team's services; the raining not only raised some revenues but also helps to prevent incidents in the future.

Contact:

Kalamazoo Department of Public Safety
216 W. Lovell
Kalamazoo, Michigan 49007
(616) 337-8285
FAX (616) 337-8269

Contact:

Tidewater Technical Rescue Team
City of Virginia Beach Fire Department
Municipal Center Public Safety Building
Virginia Beach, Virginia 23456
(804) 427-4228

STRATEGIC ALLIANCES

While some local governments join together to make capital purchases or share operating costs, others achieve something similar by forming strategic alliances to provide services to surrounding jurisdictions. This can help relieve budget problems in both the jurisdiction providing the service and those receiving the service. It also



can provide benefits in the form of increased levels of service through economies of scale, and by having more equipment and personnel available to serve either's needs.

Forming strategic alliances may be used for providing routine fire or EMS operations, or just for special services such as ALS or haz mat responses.

It is important to check into state regulations concerning intergovernmental operations when considering these types of arrangements. Also, care must be taken if previous mutual aid agreements exist; they may need to be revisited to see how the services may be affected.

Strategic alliances most often involve a smaller municipality that aligns with a larger neighbor to provide service that they would not be able to afford alone. A small suburb, for example, may not be able to afford to equip and staff its own paid independent fire department, but may be able to pay a bordering city or county to provide fire protection service for them. The Springfield, Oregon Fire and Life Safety Department maintains an alliance with its surrounding jurisdictions to provide fire services. Over a ten year period, as outlying suburban development grew, Springfield's annual contract income increased from \$369,000 to \$751,000.

It is also common for only a particular service or function to be contracted out in a strategic alliance. Some jurisdictions "sell" time at their training center or charge for training the area's firefighters. Some provide haz mat services under contract or per call. Some provide plans review. The Sacramento, California Fire Department contracts with nearby districts to provide various types of

firefighter training through the American River Community College. The Department also contracts with Sacramento County to provide hazardous materials teams for incidents in the entire county.

Issaquah, Washington does vehicle maintenance for others under contract with their repair shop, and receives grants for providing dispatching for other agencies.

In most jurisdictions the water department or its equivalent maintains the water hydrants in town. Sometimes the fire department participates in the maintenance. The new possibility is for fire departments to take over most or all of the hydrant maintenance, and charge the water department for taking over this service. Often the fire department can do it for lower cost because of the use of slack time, at low incremental cost. Knoxville, Tennessee has done this, and receives \$1.2 million a year for the service, instead of that staying with the water department.

CONSOLIDATION

The consolidation of several departments into a single entity may provide one of the most efficient and cost effective means of providing fire and emergency medical services. Savings are usually brought about through the elimination of duplicate functions such as management, fire prevention and inspection, training, and communications. Consolidation may be thought of as the ultimate version of cost sharing, on a larger, more permanent scale. The topic is far more complex than can be discussed here, but it is one of the most important ways



to obtain adequate resources in the face of budget pressures, and is therefore included.

Departments may elect to consolidate only part of their operations. A consolidated 911 dispatch center, for example, can provide cost savings to all participating jurisdictions, and additional tangible assets such as improved communications, better dispatch, and better fireground communications. Stockton, California, operates a consolidated dispatch system which allows for more efficient and effective dispatching services because of the combined resources available. The cost for each community involved is much less than if they had their own separate system, and the capability of the dispatchers is greatly enhanced. Additionally, consolidated systems may be more suited to large emergency operations and disasters, because of their access to the combined resources of the entire system.

More and more areas are consolidating departments or merging fire districts. Prevention or inspection offices combine their efforts and avoid duplicating tasks. Better insurance ratings may be achieved through increasing protection available from the consolidated resources. Citizens may pay less per capita for consolidated services or may get higher levels of service for the same cost. Sometimes the cost per capita and the level of service increase for some parties to a consolidation.

One of the largest obstacles to fire service consolidation is the power struggle that often occurs between the organizations involved. Many chiefs and ranking officers have spent their careers attaining their positions, and are, understandably, reluctant to give up any control

over any aspect of their operations. They also may fear the changes that would be necessary under consolidation. Political bodies and citizens often fear loss of operating control in getting locked into a level of service and the corresponding expenditures for a long time.

In the United Kingdom, over 1,000 fire brigades pre-World War II were consolidated into 63 today. They have been called one of the best organized fire service models in the world. Tualatin Valley Fire and Rescue, Oregon, Orange County, Florida, and West Palm Beach County, Florida, are three (of many) areas where major consolidations have taken place successfully. The trend toward consolidation seems to be accelerating in the United States.⁴

Not all consolidations work. In some cases, “deconsolidation” or separation may be preferable. For the past few decades, the conventional wisdom has held that consolidation of fire service yields savings through economies of scale. Joint purchasing, joint powers authorities, co-location of fire companies, co-development of facilities, mergers, county-wide and metropolitan fire departments are all products of this sort of “bigger is better” approach to cost control. Some recent signs suggest that some local officials are discovering that “smaller” has its advantages in some cases.

Key Biscayne, Florida, found that it contributed approximately \$3.5 million annually to its county fire district fund. In return, the county spent about \$1.5 million to maintain a fire station on the key with one engine company, an EMS unit, and a reserve engine company staffed by volunteers. In the event of a working fire or



other incident requiring additional companies, the next unit responded from 13 miles away and had to pass through either Miami or Coral Gables or both. Key Biscayne withdrew from the county fire district and started forming a new fire department from the ground up. Local officials estimate that an annual operating budget of between \$2 million and \$2.5 million will be required to provide fire protection and EMS services. This will represent a savings of 14 to 33 percent over the old arrangement. Local officials also believed that fire service will improve with new automatic response agreements with the cities of Miami and Coral Gables.

Careful analysis is needed of all financial, governance, and personnel factors as well as the resulting levels of service in consolidating or separating fire departments. The long term—at least 10 years out—needs to be analyzed, because it often takes 7-10 years for the ripples caused by such moves to die down, and these arrangements are not intended to be temporary.

SALES OF ASSETS AND SERVICES

In addition to contracting out services to other departments as discussed above, some communities sell assets, non-emergency services, and some unusual things.

Sales of Used Equipment

Some fire and EMS units have raised revenues by selling used equipment and apparatus either to other agencies or to collectors. A New England department was selling its old pumper as a collector’s item, for \$20,000.

The City of New York Fire Department sends most of its retired engines, ladders, and towers to the auction block of New York City Surplus, a city agency responsible

for the sale of surplus equipment. Police cars, ambulances, public works vehicles and sundry other items line up alongside retired FDNY pumpers awaiting purchase by new owners. Retired FDNY equipment is purchased by manufacturers, fire buffs, and small fire departments that can’t afford new apparatus. New York City Surplus typically raises over several million dollars a year from the sale of surplus property. This money is returned to the city’s general fund.

Sales of Services

In addition to contracted services, and “selling” training to other fire departments and the public, as discussed above, some departments sell other services available from their staff.

Many fire departments are expert in teaching their employees or volunteers how to drive a truck. This driver training can be sold as a service to industry. For example, the Sugar Land, Texas, Fire Department trains the drivers for a major petroleum industry unit and other industry located nearby. They also charge industry for training on the use of extinguishers.

Contact:
New York City Surplus
250 Livingston Street
Brooklyn, New York 11201
(212) 669-8548
FAX (212) 669-2682



Many fire and EMS departments have become efficient at billing for EMS and other fire rescue services within their own jurisdictions. Some departments have specialized billing departments and personnel who manage the billing and collection process for the agency. Some of these departments have used this expertise to not only assist other agencies, but also to raise revenue for their own agency.

The Carson City, Nevada, Fire Department began doing ambulance transport in the early 1980's. Soon after, Carson City Fire Department developed billing processes for receiving revenue from their EMS services. In order to share the costs of billing, Carson City Fire Department coordinated their resources with neighboring jurisdictions and formed the Northwest Ambulance Billing Cooperative. The agencies in the cooperative share the expenses of billing, and costs for the services are based on the percentage of emergency calls responded to. The Northwest Amnbulance Biling Cooperative was so successful that other agencies have recruited the organization to do their billing. This win-win situation allows small departments with little billing resources to get much needed EMS billing revenue, and it creates an alternative funding source for the agencies providing the billing services.

Sale of Delinquent Tax Certificates

Chautauqua County, N.Y., has developed a unique and promising means of increasing cash revenues for its 42 fire departments (39 volunteer, 2 combination, 1 career). Chautauqua raised over \$6.5 million from the sale

of delinquent tax certificates that had been issued on properties that owe back taxes. All delinquent properties were pooled together, and shares sold to investors. This allowed the county to bring in cash from the investors, who in turn received a taxable security that would draw about 5.6 percent interest over two years. The owners of the property remain in debt to the county and are still accountable for back taxes, interest, and penalties. The county reserves the right to foreclose on the property after three years should the debt go unpaid.

This program was initiated in January of 1993, and has been done each year since. In addition to the \$1.5 million for the fire and rescue service, this program has funded an economic development and a tax stabilization fund.

The sale of the tax certificates was made to private investors through a New York City bank that acted as a trustee for the funds. The sale of shares brought in an immediate \$4.5 mil-

lion in cash to Chautauqua County; another \$2 million will become available in two years. Investors are actually investing in the interest and penalties on the delinquent tax payments, not on the property. The investors, therefore, cannot foreclose on the property or collect the back taxes by other means. The property still belongs to the property owner and the

Contact:
Finance Director or County Executive
Chautauqua County
Gerace Office Building
Mayville, New York 14757
(716) 753-4223



county is still responsible for collecting the taxes.

The influx of cash has enabled the county to fund a improvements for its fire and rescue system, including over \$500,000 for the County Fire Coordinator's Headquarters Office, which normally operates on an \$80,000 budget. Funds raised through the sale of the tax certificates also have been used to establish a \$300,000 revolving low interest loan fund which will allow departments to borrow \$2,500 - 5,000 at 2-3 percent interest for turn-out gear, SCBA upgrades, hepatitis vaccinations, and apparatus refurbishment.

Facility Rental

Many fire departments have meeting space that can be rented out for private functions. Some departments intentionally design new fire houses to include space that is not only useful to the department but also serves as a community facility. Departments can rent out a dining hall or large room for dances, parties, exercise classes, weddings, and other gatherings. Some of these organizations even provide the catering upon request.

Of course, many meeting rooms and firehouse spaces are made available to the public free of charge, especially for public purposes. A widespread example is the use of firehouses for political meetings and elections. As with other charges for previously free services, one must weigh the potential public indignation in charging for services or space against the funds raised. There will be less of an issue, and perhaps positive public reaction, from charging for clearly private affairs.

OTHER APPROACHES

Several other alternative sources of funding and other related approaches to reducing costs did not readily fit under the above headings.

Phone Surcharges for 911

Phone surcharges are used in several areas to help raise revenues for 911 systems. These revenues may be directed into a special fund used solely for establishing 911 systems, or they may be used to reimburse local agencies for the costs incurred in operating 911 dispatching.

In the State of New York, phone users pay a 35¢ surcharge on their monthly bills for emergency 911 service. Each county receives the surcharges from all of the phone lines in its district. Counties with high populations receive large amounts of money for 911, but counties with small populations may not receive enough funds to start their own program.

Palm Beach County, Florida, assesses a 50¢ surcharge on all telephone lines to help maintain the County's enhanced 911 system. Each location in the county that receives and dispatches 911 calls may request budget reimbursement for costs related to operating the system. The department used these funds to purchase audio tape for recording emergency calls, headsets for dispatchers, and maintenance contracts for equipment. Part of the money may be used to pay dispatcher's salaries.



Leasing

Leasing is a common financing strategy for businesses to use in obtaining vehicles. It is much less used by the public sector, especially fire departments, because most fire vehicles are custom-ordered, and may be difficult to resell to another department if only leased for a few years. There is not the equivalent of fleet purchasers who lease cars to others, nor can the leasing fee be set high enough to pay for enough of the vehicle in just a few years of leasing, as is the case for automobiles and small trucks.

Leasing in a way is like borrowing in that the cost of using the vehicle is spread over many years instead of requiring a large initial capital outlay.

In recent years there are some principal leasing corporations that have been willing to help fire departments lease vehicles. The municipal leasing corporations main business has been with other types of vehicles, from cars to sanitation trucks, but they have been soliciting business from fire departments and ambulance companies.

A variation on leasing is “tax-exempt, lease-purchase financing.” It offers the following benefits:

- Requires no down payment
- Tax-exempt interest rate
- Allows you to pay for assets over time.
- You build equity in the leased equipment with the first payment.
- At the end of the lease term, you own the equip-

ment outright.

- Flexible payment terms, tailored to your needs.
- Eliminates the paperwork and voter approval required under “debt financings.”⁵

There is, of course, a total cost that is substantially higher than buying the equipment outright. The terms of leasing need to be compared to purchasing outright, or the use of bonds or COPs to raise funds.

Seized Assets

Another source of funds, equipment, and vehicles accessed by a growing number of fire departments are the assets seized during drug raids. Where the fire department can demonstrate that illegal drug activity has increased the demand for its services, such as through records of drug-related fires and EMS records of drug overdoses, or that the fire or EMS forces have participated in drug-related incidents (extinguishing drug-related fires, hazmat response to drug labs, searching for bodies underwater, acting as combat paramedics, and treating victims of raids), they may be able to share in the money and equipment seized by law enforcement in drug-related arrests and raids. The money may have to be used for the purchase of specialized equipment for assistance in drug-related incidents, but can include cars, ambulances, radios, video equipment, computers, boats, and trucks. The equipment does not have to be used solely for drug-related incidents so long as it is available and needed for these incidents.

A second, indirect way to benefit from drug-related seizures is to obtain vehicles or other equipment



from police or other agencies that seize equipment in drug raids. Their seizure of equipment may enable them to release older fleet vehicles, real estate, and other equipment to the fire department. The Pawtucket, Rhode Island Fire Department obtained a surplus car from its police department in this manner

Endnotes

- ¹ “Legislation Increases Fire Department Funding,” *Fire Chief*, p. 46, January 1991.
- ² “Berkeley’s Fee Inspection Program,” *American Fire Journal*, September 1985.
- ³ Authority for this type of cost recovery comes from the following legal citations in California Code: 1203.11 PC and 53150-53155 GC.
- ⁴ Floyd Pittard and Stephanie Thompson, “Spotting a Trend: Fire Department Consolidation,” *American City & County*, April 1992.
- ⁵ Adapted from GE Capital Public Finance Inc. brochure, 1993.





CHAPTER THREE

STATE GOVERNMENT SOURCES FOR FIRE AND EMS

In addition to administering the dispersal of federal funds, many states also have their own mechanisms to provide support for local fire and EMS agencies. The following is a list of the major categories of state funding programs as well as examples of some of the programs found in various states.

- Low interest loans
- Insurance Surcharge (fire only)
- Driving-related fees and fines (EMS only)
- Surplus vehicles and equipment
- Special Purpose Grants
- Matching grants
- Technical assistance/support
- Subsidized training

LOW-INTEREST LOANS

Many states make loans available at 2-3 percent interest, over 10-20 years, for capital improvements and other projects. Such programs are often set up in a revolving fashion so that money paid back to the lender can be loaned out again to other fire/EMS agencies. One example is the program run by the Kentucky Fire Commission. Loans of up to \$50,000 are available to volunteer fire departments at an interest rate of 3 percent, repayable over a period of as long as 12 years. Payments are deducted from the department's annual State Volunteer Aid check. Texas has a similar program in place through the Texas Commission on Fire Protection. Loans of up to \$25,000 are available at a 2 percent interest rate over 10-20 years.

INSURANCE SURCHARGE

Some states, such as Virginia, Texas, Kentucky, and South Carolina, impose a surcharge on fire insurance premiums to underwrite the cost of fire protection. While these funds are often restricted to paying for the state's own fire-related expenses, in some states, this funding is directly or indirectly funneled into local programs.

The Commonwealth of Virginia's Department of Fire Programs is funded by a 0.8 percent assessment on all fire and combined insurance premiums from insurance companies licensed in the state. Approximately 75 percent of the money is allocated to towns, cities, and counties to conduct fire service training, improve regional or local fire service training facilities, purchase firefighting equipment, and purchase protective equipment and clothing. The allocation is made primarily in proportion to population, with a minimum of \$3,000 available for any eligible jurisdiction.

The insurance surcharge also funds a grant program for rural fire departments, defined as those with an ISO rating of 9 or 10. They may apply for a 50/50 matching grant program to install dry hydrant systems.

In another example, the state of Kentucky funds many programs aimed at local agencies through its 1.5 percent surcharge on insurance. The funds are distributed by the Kentucky Fire Commission, a 19 member panel appointed by the governor. Programs include the Incentive Pay Program for career personnel, State Aid Fund for volunteer fire departments, the Training Facility Grant Program, Survivor Benefit Program, Hepatitis B



Contact:

Commission on Fire Protection,
Personnel Standards, and
Education
1049 US Route 127 South, Suite 5
Frankfort, KY 40601-4337
(502) 564-3473/ (800) 782-6823
FAX (502) 564-6552

vaccinations for fire service personnel, and the low-interest loan program mentioned earlier.

Through these programs, fire departments in Kentucky have been able to renovate firehouses, upgrade their SCBAs to NFPA specifications, and purchase a variety of new equipment, including large diameter hose.

Texas also provides aid to fire departments through a surcharge on insurance premiums. The state’s Fire Department Emergency Fund is administered by the Texas Commission on Fire Protection and includes two programs – a grant program for fire departments in need of equipment and the low interest loan program mentioned previously.

Approximately \$1 million is available each year, with 50 percent of the state funds allocated to the grant program, and the other 50 percent used for loans. Allocations from both programs are limited to \$25,000 per

department per year. Further regulations require the funds to be split equally between rural and municipal fire departments.

Contact:

Texas Commission on Fire
Protection
PO Box 2286
Austin, TX 78768-2286
(512) 918-7100
FAX (512) 918-7107

Applications for both programs are reviewed and ranked, in order of need, by the Texas Commission on Fire Protection, a twelve-member panel appointed by the governor and approved by the Senate. Fire departments often use these funds for the purchase of protective clothing and breathing apparatus.

DRIVING RELATED FEES AND FINES

Since a major need for EMS stems from motor vehicle accidents, some states attach fees to motor vehicle registration or other vehicle-related services to fund parts of the state EMS programs.

Vehicle Registration Status

The Commonwealth of Virginia has a state EMS program funded entirely through a \$2 fee on motor vehicle registration. This fee, known as the “Two for Life” fund, brings in over \$10 million for Emergency Medical Services. Each month the Department of Motor Vehicles transfers the “Two for Life” revenues to the Commonwealth’s Department of Emergency Medical Services. The money is divided among various state EMS programs. Approximately 37 percent goes into administration of the Virginia Emergency Medical Services, including keeping track of the licensing and operations of EMS in the state. About \$1 million is divided among eight regional EMS councils which administer EMS training and operations and establish local protocols. About 25 percent of the money raised is channeled directly back to local non-profit EMS agencies where the vehicles were registered.



Another \$1.3 million goes to fund training programs for BLS and ALS providers, and \$250,000 goes to a state funded recruitment and retention program for EMS personnel. The remaining money, approximately \$3 million, goes to the Rescue Squad Assistance Fund. Any non-profit EMS agency in the state may apply for matching funds to purchase EMS equipment and vehicles. Rescue squads may not use money from the "Two for Life" program to match the state-supplied Rescue Squad Assistance Fund 50-50 grants. In the case of hardship, up to 80 percent may be funded by the state. This money is

Contact:

Virginia Office of Emergency Medical Services
1538 E. Parham Road
Richmond, VA 23228-2360
(804) 371-3500
FAX (804) 371-3543

restricted to patient care items; it may not be used for items such as building maintenance or construction. Each year a committee appointed by the Governor of Virginia ranks the requests in order of priority and then funds as many as possible until the funds are exhausted.

The state of Maryland has a coordinated statewide EMS system involving hospitals, area-wide trauma centers, specialty referral centers, and more than 480 ambulances. In addition, the statewide system has more than 24,000 trained providers, a state-of-the art communications center, and a med-evac helicopter operated by the Maryland State Police (MSP) Aviation Division. In 1992, Maryland adopted an \$8 surcharge on motor ve-

hicle registration fees. The surcharge is designed to provide a stable funding source to support the med-evac program, grants to

local fire, rescue, and ambulance services in all 24 political jurisdictions, Maryland Fire Rescue Institute, R Adams Cowley Shock Trauma Center, and Maryland Institute for Emergency Medical Services Systems itself. It is expected that the surcharge will generate approximately \$27 million annually for the EMS system statewide.

Contact:

Maryland Institute for Emergency Medical Services Systems (MIEMSS)
653 W. Pratt Street
Baltimore, MD 21201-1536
(410) 706-5074
FAX (410) 706-4768

Traffic Citations Surcharge

Several Western states and Florida have adopted surcharges on traffic violation fines to support EMS on the basis that bad drivers increase the need for EMS services. In Florida, the Department of Health and Rehabilitative Services adds a surcharge to certain traffic citations such as driving under the influence of alcohol. The Department collects over \$10 million a year from this program. Fifteen percent of these funds are used to cover administrative costs; the remainder is dispersed throughout the state with the goal of improving and expanding emergency medical services.

The funds are dispersed through two state programs. A county-level cash award program distributes 45 percent of the funds back to each county on a percentage basis, depending on the amount of money contributed by



the county. The funds may be used in any manner to expand the EMS system, but not to supplant current budget funds.

The second program provides matching grants to any jurisdiction within the state. The applicant pays 25 percent of the proposed amount while the state pays the remaining 75 percent. No money distributed from the first program may be used for a matching grant in the second program.

Contact:

Bureau of Emergency Medical Services
Department of Health
1317 Winewood Blvd.
Tallahassee, Florida 32399-0700
(850) 488-9177
FAX (850) 487-2911

Many jurisdictions have successfully improved their EMS systems as a result of these programs. These funds have

made it possible for them to purchase AEDs, develop an Emergency Vehicle Operator Course (EVOC), establish quality assurance programs, as well as bolster public education campaigns, purchase new vehicles, upgrade computer equipment, and offer a variety of training programs.

SURPLUS VEHICLES AND EQUIPMENT

Many second-hand fire and EMS vehicles are available through the state at little or no cost, especially to rural, volunteer fire departments. The challenge is finding them. Some may be available through the state agency responsible for forest and wildland fire protection, while others are available from the National Guard or local/re-

gional airports. Also, many states have offices specifically responsible for the dispersal of excess federal equipment. In some states, the Fire Marshal's office, either formally or informally, assists fire departments in procuring these surplus items.

In some states it is also possible for fire departments to purchase equipment, and other supplies, at state contract prices.

In Texas, a recently passed law [75 (R) HB 680] protects those who donate used or obsolete fire equipment to fire departments through the Texas Forest Service. Equipment refers to vehicles, tools, protective gear, breathing apparatus, etc. Donors of used fire/rescue equipment, as well as the Forest Service, are released from liability for civil damages should a defect in their donation cause personal injury, property damage, or death. Unless malice, gross negligence, recklessness or intentional misconduct can be proven, and as long as the donation was made in good faith, the donor and the Forest Service are not responsible for civil damages.

SPECIAL PURPOSE GRANTS

From time to time, some states earmark funds for a particular program area of interest. For example, New York State developed a grant program specifically targeted at reducing the incidence of arson. The program provided computers to hundreds of fire departments that were capable of compiling and analyzing not only arson data, but all types of fire data as well.

Additionally, excess funds are sometimes avail-



able available from the state Legislature at the end of a legislative session. These funds may become available in the form of grants to various groups within the state, including fire departments. Contact representatives in your area for more details as to the availability of funds and the process involved in applying to receive them.

MATCHING GRANTS

Matching grants are a common source of funds for local agencies at the state level. While either the federal or state government may fund these programs, the dispersal of funds is generally left up to a division of the state government. These grants are not handouts. Fire departments must be able to show that they have the funds available to match the amount they are requesting from the state. Depending on the state and the particular program a fire department might have to match the state dollar-for-dollar, while other programs may only require a department to have 20 percent of the amount it requests.

TECHNICAL ASSISTANCE

The office of the State Fire Marshal or of Emergency Medical Services, etc. can be a valuable source of information and assistance. Often, they provide building inspectors, fire/arson investigators, engineering and plan reviews, HAZMAT inspections, general fire safety education, as well as administering the state's Fire Incident Reporting System (FIRS). Further, for small departments with limited budgets, their handling of code enforcement and investigations is extremely important.

SUBSIDIZED TRAINING

In most states there is a designated academy or training center subsidized by the state. These academies offer a wide range of courses, from basic classes, such as Firefighter I/II, to more advanced classes for officers. Classes are generally offered either for free or at a reduced price to anyone affiliated with an accredited fire department/rescue squad/ambulance service in the state. Also, scholarships may be available through the Office of the State Fire Marshal, State Commission on Fire Protection, State Firefighters' Association, and others, to attend classes in fire science at local vocational schools or state universities. Further, in some locations, individual counties also offer training free or at reduced cost to affiliates of fire departments in the county.

For example, the state of Maryland provides free training through the Maryland Fire and Rescue Institute (MFRI). All courses offered through MFRI are free to anyone affiliated with an accredited fire department in the state of Maryland.



OTHER AGENCIES TO CONTACT

Although these agencies may not distribute funds, they may have information as to where to look or they may be able to provide other assistance to local departments. A few to try:

- Department of Health (Especially the EMS Division)
- Department of Transportation
- Department of Natural Resources (Particularly the Forestry Division)
- Department of Insurance (often oversee the State Fire Marshal)
- Department of Emergency Management

STATE-BY-STATE FUNDING SOURCES FOR EMS

Most, but not all, state governments provide some kind of financial assistance to local fire departments and rescue squads to improve the quality of emergency care. State governments may supply support services such as training, data analysis and collection, system planning for 9-1-1 service, and certification programs.

Table 3.1 is a breakdown, state-by-state, of the particular programs available to local EMS agencies. Federal programs are included as well; these are noted in *italics*. Programs specifically directed at fire departments/rescue squads are listed in the following section. Generally, fire departments that provide EMS or rescue services are eligible to apply for EMS programs; they are not usually reserved for EMS-only organizations.

Although every effort was made to compile an accurate listing of programs, some may have inadvertently been overlooked. These programs may not have been known to the person contacted in that state, or included in the state literature reviewed. Regardless, this list should provide agencies looking for funds with a good starting point for information about the programs available to them. Further, by seeing the options available in other states, departments may be able to encourage the development of new programs their own state.



Table 3.1 State by State Funding for EMS Programs	
STATE/CONTACT INFORMATION	PROGRAMS
<p>ALABAMA Office of Emergency Medical Services Alabama Dept. of Public Health RSA Tower, 201 Monroe Street Montgomery, AL 36130-1701 (334) 206-5383 FAX (334) 206-5260 www.alapubhealth.org/index.htm</p>	<p>Grants are available through State’s six EMS regions to purchase equipment or fund training.</p> <p>There is no direct aid available from the state. All inquiries for assistance should be directed to the regional offices.</p>
<p>ALASKA Emergency Medical Services DHSS/ Public Health 410 Willoughby , Suite 109 Juneau, AK 99811-0616 (907) 465-3027 FAX (907) 465-4101 www.hss.state.ak.us/dph/ems/ems_home.htm</p>	<p>The Mini-Grant Program provides up to \$2500 per service to be used for training, equipment, etc.</p> <p>Additional aid may be available, especially to agencies deemed “in crisis.” Contact regional EMS offices or the State EMS office for further information.</p>
<p>ARIZONA Bureau of Emergency Medical Services Arizona Department of Health 1651 East Morten, Suite 120 Phoenix, AZ 85020 (602) 255-1170 FAX (602) 255-1134</p>	<p>Provider Grant Program: Grants to local EMS providers for in house training, equipment, supplies, etc. (\$481,000).</p> <p>Tuition Assistance Program: For local EMS providers for training leading to EMT-Basic, EMT-Intermediate, or EMT-Paramedic certification (\$155,000).</p> <p>Special Projects Grants: Grants for field trials, surveys, etc. (\$170,000).</p>
<p>ARKANSAS Division of Emergency Medical Services Arkansas Department of Health 4815 West Markham, Slot 38 Little Rock, AR 72205-3867 (501) 661-2262 FAX (501) 280-4901</p>	<p>X-620 Rural Health Grants, a competitive grant program for rural departments providing EMS and transport.</p>



Table 3.1 State by State Funding for EMS Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>CALIFORNIA Emergency Medical Services Authority 1930 9th Street Suite 100 Sacramento, CA 95814 (916) 322-4336 FAX (916) 324-2875 www.emsa.cahwnet.gov</p>	<p>Funds may be available through state EMSA offices- contact them for more information.</p> <p>Additional funds may be available for specific special projects.</p> <p><i>Federal Block Grants</i> are available to local agencies.</p>
<p>COLORADO Department of Health EMSD-ADM-A3 4300 Cherry Creek South Denver, CO 80246 (303) 692-2980 FAX (303) 782-0904 www.state.co.us/gov_dir/cdphe_dir/em/emhom.html</p>	<p>Provider Grants: \$2 million for training, equipment and special projects.</p> <p>County Subsidy Program: Approximately \$13,000 per county per year. Must be used to improve EMS and not to pay debts.</p> <p>Emergency Fund: \$100,000 per year is placed in a fund for use in emergencies that seriously jeopardize EMS service in the area.</p> <p>Funds are generated through a \$1 surcharge on motor vehicle registration.</p>
<p>CONNECTICUT Office of Emergency Medical Services Department of Health 410 Capitol Avenue, PO Box 340308 Hartford, CT 06134-0308 (860) 509-7975 FAX (860) 809-7987</p>	<p>There is still no aid for local agencies available directly from the state.</p> <p>Money from the <i>Federal Block Grant Program</i> is used to fund five EMS councils contracted by the state.</p> <p>Some local ambulances reimburse members for training in exchange for service.</p>
<p>DELAWARE Office of Paramedic and EMS Division of Public Health P.O. Box 637 Dover, DE 19903 (302) 739-6637 FAX (302) 739-3008</p>	<p>The State funds 100 percent of ALS training and 60 percent of ALS operations statewide. However, as staffing levels reach 100 percent, the program may change.</p> <p>Volunteer BLS services eligible for grants from the state legislature.</p>



Table 3.1 State by State Funding for EMS Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>FLORIDA Bureau of EMS Florida Department of Health 1317 Winewood Boulevard Tallahassee, FL 32399-0700 (850) 488-9177 FAX (850) 487-2911 www.state.fl.us/health</p>	<p>County Cash Awards program: Amount received is dependent upon how much the county contributes in tickets and fines. Can be used to improve or expand current EMS system (\$3.5 million).</p> <p>Matching Grant Program: 25-local, 75-state. Available to licensed EMS providers, fire departments and first responder programs. Contact Matching Grant Program, Bureau of EMS, 2002 Old St. Augustine Road, Bldg. D, Tallahassee, FL 33201-4881, (850) 487-1911.</p>
<p>GEORGIA Emergency Medical Services Georgia Dept. of Human Resources 47 Trinity Avenue, Suite 104 Atlanta, GA 30334-5600 (404) 657-6700 FAX (404) 657-4255 www.ph.dhr.state.ga.us/ems/</p>	<p>Federal money divided among 10 EMS regions and the state office. The programs include EMS education, curriculum development, ambulance zoning, EMS for children, system design and implementation, trauma system development, 9-1-1 development and others.</p>
<p>HAWAII Emergency Medical Services/State Dept. of Health 1250 Punchbowl Street Honolulu, HI 96813 (808) 546-4400</p>	<p>Hawaii funds 100 percent of EMS training, operations, and communications.</p>
<p>IDAHO EMS Bureau/Department of Health and Welfare 3092 Elder Street Boise, ID 83720 (208) 334-4000 FAX (208) 334-4015</p>	<p>50/50 matching grant program for any recognized EMS units in the state (\$350,000).</p>
<p>ILLINOIS Division of EMS Illinois Department of Public Health 525 West Jefferson Street Springfield, IL 62761 (217) 785-2080 FAX (217) 785-0253</p>	<p>Regional Ambulance Services Grants: Available to assist medically underserved and predominantly rural counties in the development of regional ambulance service systems.</p> <p>Emergency Medical Services Fund: Disbursed to local agencies for a variety of programs. \$130,000 collected through licensure fees, violations of the EMS Act and fees paid to the trainers of EMS personnel.</p>



Table 3.1 State by State Funding for EMS Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>INDIANA Indiana EMS Commission 302 W. Washington, Room E208 IGCS Indianapolis, IN 46204-2258 (317) 232-3980/ (800) 666-7784 FAX (317) 281-4958 www.ai.org/sema/ems.html</p>	<p>Equipment Incentive Grants: Available to local providers for equipment, training, etc. 75/25 matching, up to \$8000, to any recognized EMS unit in the state.</p>
<p>IOWA Emergency Medical Services Iowa Department of Public Health Lucas State Office Building Des Moines, IA 50319-0075 (515) 281-3239 FAX (515) 281-4958 www.idph.state.ia.us/pa/ems.htm</p>	<p>Federal money is distributed throughout the state via the state's EMS regions.</p>
<p>KANSAS Board of Emergency Medical Services 109 S.W. 6th Ave. Topeka, KS 66603-3826 (913) 296-7296 FAX (913) 296-6212 www.ink.org/public/kdem/main.html</p>	<p>State funds go directly from the state legislature to four regional EMS councils (\$100,000).</p> <p><i>Federal Block Grants</i> are available.</p>
<p>KENTUCKY Emergency Medical Services Branch Department for Health Services 275 E. Main Health Services Building Frankfort, KY 40621 (502) 564-8965 FAX (502) 564-6533</p>	<p>Rescue Squad and Ambulance Assistance Program applications made through city or county government. Funds personnel, ambulances, and equipment. Most awards are 50/50 matching grants. Limit on money for ambulances, usually \$15-20,000 per request (\$3 million).</p>



Table 3.1 State by State Funding for EMS Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>LOUISIANA Bureau of Emergency Medical Services P.O. Box 94215 Baton Rouge, LA 70804 (502) 342-4881 FAX (504) 342-4876</p>	<p>The state bureau is funded with \$550,000 from the CDC and \$200,000 in self-generated funds. There is no aid to local agencies available through the state.</p>
<p>MAINE Maine Emergency Medical Services 16 Edison Drive Augusta, ME 04330 (207) 287-3953 FAX (207) 287-6251 www.state.me.us/mema/memahome.htm</p>	<p>There are no funds available directly to local agencies through the office of EMS.</p> <p>Some funds may be available through the Department of Highway Safety, the State Legislature and through <i>Federal Block Grants</i>.</p> <p>Maine and New Hampshire collaborate on emergency management courses sponsored by FEMA.</p>
<p>MARYLAND Maryland Institute for EMS Systems (MIEMSS) 653 West Pratt Street Baltimore, MD 21201-1536 (410) 706-5074 FAX (410) 706-4768 www.miemss.umab.edu/</p>	<p>The state provides funds for EMS training, recertification, specialized courses, and training aids for departments coordinating their own training.</p> <p>State 508 grant funds are available for fire, rescue and EMS.</p> <p>Section 402 funds are available through the Department of Transportation for ambulances.</p> <p>MIEMSS offers subsidized training.</p>
<p>MASSACHUSETTS Office of Emergency Medical Services Department of Public Health 470 Atlantic Avenue, Second Floor Boston, MA 02210 (617) 753-8300 FAX (617) 753-8350 www.state.ma.us/dph/oems</p>	<p>Funds are distributed by the state to regional EMS offices.</p> <p>There are no funds available from the state to local agencies at this time.</p>



Table 3.1 State by State Funding for EMS Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>MICHIGAN Division of Emergency Medical Services Michigan Dept. of Public Health P.O. Box 30195 Lansing, MI 48909 (517) 241-3018</p>	<p>There is no financial aid available to local agencies at this time.</p>
<p>MINNESOTA EMS Regulatory Board 2829 University Avenue, Suite 310 Minneapolis, MN 55414-3222 (612) 627-6000 FAX (612) 627-5442 www.emsrb.state.mn.us</p>	<p>State funds are distributed to 8 local EMS regions, which can then choose how to distribute it (in the form of grants, loans, training, etc.)</p> <p>Additional funds may also be available to train volunteers.</p>
<p>MISSISSIPPI Emergency Medical Services State Dept. of Health P. O. Box 1700 Jackson, MS 39215-1700 (601) 987-3880 FAX (601) 987-3993</p>	<p>Funds are based on fees collected from traffic citations. \$5 per moving violation is used for a trauma registry and \$5 per moving violation helps non-funded trauma hospitals. The amount available varies from year to year.</p> <p>Funds may also be available through Trauma Bill 996.</p>
<p>MISSOURI Bureau of Emergency Medical Services Missouri Dept. of Health PO Box 570 Jefferson City, MO 65102 (573) 751-6356 FAX (573) 526-4102</p>	<p>There is no financial aid available to local agencies at this time.</p>
<p>MONTANA Emergency Medical Services Bureau Dept. of Health/Environmental Sciences Cogswell Building Helena, MT 59620 (406) 444-3895 FAX (406) 444-1814</p>	<p>There is no financial aid available to local agencies at this time.</p>



Table 3.1 State by State Funding for EMS Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>NEBRASKA Division of Emergency Medical Services 301 Centennial Mall S., 3rd Floor Box 95007 Lincoln, NE 68509-5007 (402) 471-0124 FAX (402) 471-6446 www.hhs.state.ne.us/ems/emsindex.htm</p>	<p>All EMS training and related support functions (such as CISM and infection control) are provided by the state.</p> <p>Hepatitis B vaccinations are available through the state.</p>
<p>NEVADA Emergency Medical Services Office Nevada State Health Division 1550 College Parkway #158 Carson City, NV 89710 (702) 687-3065 FAX (702) 687-6588</p>	<p>Training subsidies are available (\$13,000).</p> <p><i>Federal 402 funds</i> available for purchasing pagers, extrication equipment, etc.</p> <p>Grant program aimed at volunteers - \$16,000 based on fees for certification.</p>
<p>NEW HAMPSHIRE Bureau of Emergency Medical Services Health and Welfare Building 6 Hazen Drive Concord, NH 03301-6527 (603) 271-4568 FAX (603) 271-3745 www.nhoem.state.nh.us/</p>	<p>EMS is 77% federally funded, with the remaining 23% financed by the state general fund.</p> <p>BLS Training Fund available to local agencies.</p> <p>Additional training may be available through a collaboration of the NHOEM and Maine in emergency management courses sponsored by FEMA.</p>
<p>NEW JERSEY Emergency Medical Services State Dept. of Health, CN-367 Trenton, NJ 08625-0367 (609) 292-7000 FAX (609) 292-3580 www.state.nj.us/health/hlthems.htm</p>	<p>Funds are available through the state's Department of Community Affairs for non-profit volunteer squads. The majority of these funds are available as loans and can be used to reimburse volunteer EMS squads.</p> <p>Some grants may be available through an EMS Training Fund for basic and continuing education.</p>
<p>NEW MEXICO Dept. of Health P.O. Box 26110 Santa Fe, NM 87502-6110 (505) 476-7000 FAX (505) 827-1410</p>	<p>Grants up to \$20,000 per agency are available from the EMS fund.</p> <p>\$3,000 available to any recognized EMS organization for training, equipment, and supplies.</p>



Table 3.1 State by State Funding for EMS Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>NEW YORK Bureau of EMS Department of Health 433 River Street, Suite 303 Troy, NY 12180 (518) 407-0996 FAX (518) 407-0985</p>	<p>EMS training program for volunteers (\$8 million).</p> <p>Assistance to local squads through 17 regional centers, with dispatch, protocols, medical control, data collection and training. (\$2.8 million).</p> <p>Counties that submit comprehensive health plans including EMS components can receive up to 40 percent of training and communications costs (\$1.5 million).</p> <p>Legislative Add-on Contracts: Squads approach their local legislator for special funding projects. About 40 are funded each year.</p> <p>Statewide EMS Annual Fund of \$16.3 million. 50% will be allocated for local EMS training.</p>
<p>NORTH CAROLINA Office of Emergency Medical Services 701 Barbour Drive (27603) P.O. Box 29530 Raleigh, NC 27626-0530 (919) 733-2285 FAX (919) 733-7021</p>	<p>Funds are provided through 18 regional EMS councils. Grants are available to hospitals for Paramedic training programs. EMS systems development grants are available for administrative functions, equipment, etc.</p> <p>EMS agencies may qualify for funds through the State Volunteer Rescue/EMS Fund or the Rescue Squad Workers' Relief Fund (Department of Insurance, Fire/Rescue Division.)</p>
<p>NORTH DAKOTA Division of Emergency Health Services Dept. of Health/Health Resources 600 E. Boulevard Avenue Bismarck, ND 58505-0200 (701) 328-2388 FAX (701) 328-1890 www.health.state.nd.us/ndhd/resource/dehs/dehs.htm</p>	<p>Grants of \$250 are available to any newly trained Emergency Medical Technician agreeing to stay with his or her squad for 6 months.</p> <p>\$1200 is available to EMS agencies to fund continuing education for providers.</p>
<p>OHIO Department of Public Safety-Division of EMS PO Box 182073/1970 W. Broad Street Columbus, OH 43218-1073 (614) 466-9447 FAX (614) 466-0433 www.state.oh.us/odps/division/ems</p>	<p>One grant program exists. Funds can be used for training, equipment, etc.</p> <p>Some grants and subsidized training may be available through the Ohio Fire Academy.</p>



Table 3.1 State by State Funding for EMS Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>OKLAHOMA Emergency Medical Services Department of Health 1000 NE 10th, Room 1104 Oklahoma City, OK 73117-1299 (405) 271-4027 FAX (405) 271-3442 www.health.state.ok.us</p>	<p>There is no financial aid to local departments available at this time.</p>
<p>OREGON Emergency Medical Services and Systems Department of Human Resources 800 NE Oregon Street Portland, OR 97232 (503) 731-4011 FAX (503) 731-4077</p>	<p>There is no financial aid to local departments available at this time.</p>
<p>PENNSYLVANIA Division of Emergency Medical Services Health & Welfare Building Room 1033 Harrisburg, PA 17108 (717) 787-8741 FAX (717) 772-0910 www.health.state.pa.us/hpa/ems</p>	<p>EMS Operating Funds (EMSOF) are distributed through regional offices to local squads for ambulance and rescue services.</p> <p>Grants are available: 50/50 grants to urban departments, 60/40 grants to rural departments. Funds may be used for various EMS needs, including communications, radios, protective equipment, and supplies.</p> <p>Low-interest (2 percent) loans available through the State Fire Commissioner’s Office of the Pennsylvania Emergency Management Agency (PEMA) Volunteer Loan Assistance Program for fire, rescue, and emergency medical service departments. Can be used for vehicles, equipment, building construction and renovation, protective gear, and communications.</p>
<p>RHODE ISLAND Emergency Medical Services Division Department of Health, Room 404 3 Capitol Hill Providence, RI 02908-5097 (401) 222-2401 FAX (401) 277-6548</p>	<p>There is no financial aid to local departments available at this time.</p>



Table 3.1 State by State Funding for EMS Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>SOUTH CAROLINA Emergency Medical Services Division Department of Health and Environmental Control 2600 Bull Street Columbia, SC 29201 (803) 737-7204 FAX (803) 737-7212 www.state.sc.us/dhec/</p>	<p>Grant-in-aid program provides grants for the improvement of local EMS agencies, the purchase of equipment, training and support services such as quality assurance.</p> <p>Grants may be available for special programs, prevention programs, and EMS systems development.</p>
<p>SOUTH DAKOTA Emergency Medical Services Programs-Dept. of Health 118 West Capitol Street Pierre, SD 57501 (605) 773-4779 FAX (605) 773-5863 www.state.sd.us/state/executive/doh/doh.html</p>	<p>Funding/technical assistance is available through the state Department of Agriculture, Division of Resource Conservation and Forestry.</p> <p>Grants may also be available from the Office of Highway Safety.</p>
<p>TENNESSEE Division of EMS-Department of Health First Floor, Cordell Hull Building 425 Avenue, North Nashville, TN 37247-0701 (615) 741-2584 FAX (615) 741-4217 www.state.tn.us/health</p>	<p>No funds are available directly from the state.</p> <p>The state Emergency Management Agency offers HAZMAT training.</p>
<p>TEXAS Emergency Medical Services Division-Dept. of Health 1100 West 49th Street Austin, TX 78756-3199 (512) 834-6740 FAX (615) 834-6376 www.tdh.texas.gov/hcqs/ems/emshome.htm</p>	<p>EMS Local Grants Program provides grants to local agencies. There is a limit of \$35,000 on ambulance purchases. Contact Texas Department of Health, attn: Local Projects, (512) 834-6700.</p>
<p>UTAH Bureau of Emergency Medical Services-Dept. of Health 288 N. 1460 West Salt Lake City, UT 84116 (801) 538-6435 FAX (801) 538-6808 www.health.state.ut.us/ems</p>	<p>Local grants available: 50% are apportioned on a per capita population basis, and 50% are distributed through a competitive grants program.</p> <p>An additional training program funding high school training also exists.</p>



Table 3.1 State by State Funding for EMS Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>VERMONT Emergency Medical Services Division Department of Health Box 70, 108 Cherry Street Burlington, VT 15402-0700 (802) 863-7310 FAX (802) 863-7577</p>	<p>There is no direct financial aid available to local agencies at this time, however, indirect assistance, through subsidized training programs, may be available.</p>
<p>VIRGINIA Office of Emergency Medical Services State Department of Health 1538 E. Parham Road Richmond, VA 23228 (804) 371-3500 FAX (804) 371-3543 www.vdh.state.va.us/oems</p>	<p>Rescue Squad Assistance Fund provides competitive grants for EMS and rescue equipment. The Recruitment and Retention Mini-Grant Program awards \$1500 per agency or \$5000 per district for recruitment projects. ALS training is subsidized with ALS Training Grants. The state coordinates search and rescue training.</p> <p>In the event of a disaster that overwhelms local EMS agencies, the state will mobilize EMS Disaster Task Forces.</p>
<p>WASHINGTON EMS and Trauma Systems Department of Health P.O. Box 47853 Olympia, WA 98504-7853 (360) 703-7600 FAX (360) 705-6706 www.doh.wa.gov/hsqa/emtp/default.htm</p>	<p>State funds are distributed through contracts with the state's 8 regional EMS councils. Their contracts include training and they can choose to disperse the funds however they wish.</p> <p>Funds are available to trauma care providers. Both participation grants and need grants are available. Preference is given to those who want to become trauma certified.</p>
<p>WEST VIRGINIA Emergency Medical Services West Virginia Department of Health 1411 Virginia Street East, 2nd Floor Charleston, WV 25301 (304) 558-3956 FAX (304) 558-1437</p>	<p>The West Virginia State Legislature has funding available for special EMS projects. Agencies should apply, in writing, to individual legislators for specific projects.</p> <p>The Office of Community and Rural Health Services, in cooperation with the Health Care Authority, has grants and loans available for funding crises and improves services to stimulate vertical and horizontal collaboration.</p> <p>The Office of Rural Health Policy has community-based mini-grants available for injury prevention activities.</p>



Table 3.1 State by State Funding for EMS Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>WISCONSIN Emergency Medical Services Division of Health P.O. Box 309 Madison, WI 53701-0309 (608) 266-9781 FAX (608) 267-3696 www.dhfs.state.wi.us/reg%5flicens/dohprog/ems/emsindex.html</p>	<p>Act 102, the EMS Funding Assistance Program, has an annual allotment of \$2.2 million, with \$800,000 specifically set aside for EMT training tuition. The remainder is used for local assistance. Direct payments are made to Primary Care Providing Organizations-\$3,588 plus \$.03 per person served.</p>
<p>WYOMING Emergency Medical Services Program State of Wyoming Hathaway Building, Room 527 Cheyenne, WY 82002 (307) 777-7955 FAX (307) 777-5369</p>	<p>No funds available through the state EMS office.</p> <p>Some funds may be available through the State Land & Farm Loan Program</p> <p>The state supports a CISD team.</p>



STATE FUNDING SOURCES — FIRE/RESCUE SERVICES

Many state resources are available to assist local fire departments. State agencies that specialize in health, education, transportation, or insurance may have programs available to fire departments and emergency medical service organizations, in addition to the programs from the state fire marshal’s office or other state fire agencies. Rural fire departments or departments that face wildland or wildland-urban interface firefighting may be eligible for state or federal assistance through state departments of forestry, interior, farm bureaus, or similar agencies.

Funds may be available directly through low interest loans or grant programs, or indirectly through subsidized training courses. Financial savings may be available through state contract equipment purchasing plans. Some of these state programs are financed by federal funds that are administered at the state level.

Table 3.2 provides an outline of services available on a state-by-state basis. Federally funded programs are listed in *italics*. Note the disparity in state programs from state to state. Some small states have large programs, and some large states have no programs. The programs on the list are subject to change, as their funding often depends upon annual appropriations from the state or federal governments. Local fire departments should check with several agencies in their state to find out exactly what programs are currently available and what programs may

become available in the future. While there may be additional programs, the list should give fire departments a starting place for finding out about their state’s programs, and show the range available in other states.



Table 3.2 State by State Funding for Fire/Rescue Programs	
STATE/CONTACT INFORMATION	PROGRAMS
<p>ALABAMA State Fire Marshal Department of Insurance 135 S. Union Street, Room 140 Montgomery, AL 36130-3552 (334) 241-4166 FAX (334) 241-4192</p>	<p>Funds are available through the Department of Forestry for rural, volunteer fire departments.</p> <p>Any firefighter, career or volunteer, can take a course at the state fire college. Some classes are free due to funding from <i>FEMA</i> while others are available at a nominal cost.</p>
<p>ALASKA State Fire Marshal Division of Fire Prevention Dept. of Public Safety 5700 E. Tudor Road Anchorage, AK 99507-1225 (907) 269-5491 FAX (907) 338-4375 www.dps.state.ak.us/fire</p>	<p><i>Rural Community Fire Protection Grants (RCFP)</i> are available through the Division of Forestry to volunteer fire departments that serve a population under 10,000. These are 50/50 matching grants, up to \$5,000 per department.</p> <p>The Fire Service Technical Assistance Section provides technical assistance and sponsors training through its regional offices. (907) 269-5789, FAX (907) 338-4375.</p> <p>Departments may be able to participate in fleet purchasing of fire apparatus through the Department of Transportation and Public Facilities.</p>
<p>ARIZONA State Fire Marshal Dept. of Building and Fire Safety 1540 W. Van Buren Phoenix, AZ 85007-2414 (602) 255-4072 FAX (602) 255-4961</p> <p>Fire Management Division State Land Department www.land.state.az.us</p>	<p>A 2.2% Fire Insurance Premium Tax is used to maintain a pension fund for career and volunteer personnel.</p> <p>The Fire District Assistance Tax stems from property taxes and funds go directly from the state to the fire districts, up to \$300,000 per district, who can then distribute the money to local fire departments.</p> <p>The Fire Management Division of the State Land Department sponsors some training.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>ARKANSAS State Fire Academy SAU Tech Station P.O. Box 3499 Camden, AR 71701 (870) 574-1524</p> <p>Arkansas Forestry Commission 3821 West Roosevelt Road Little Rock, AR 72204 (501) 296-1940 FAX (501) 296-1949 www.forestry.state.ar.us</p>	<p>Training through the state academy is free to anyone, career or volunteer, affiliated with a recognized fire department in the state of Arkansas.</p> <p>Grants are available to rural, volunteer fire departments through the Arkansas Forestry Commission. These are 50/50 matching grants, up to \$5,000 per department.</p>
<p>CALIFORNIA Office of the State Fire Marshal 1416 Ninth Street, Room 1505 PO Box 944246 Sacramento, CA 94244-2460 (916) 653-7097 FAX (916) 653-4171 www.fire.ca.gov</p>	<p>There is no direct assistance available to local agencies at this time. The state receives federal funds and distributes that money to local jurisdictions (counties, fire districts.)</p>
<p>COLORADO Division of Fire Safety-Dept. Public Safety 700 Kipling Street, Suite 1000 Denver, CO 80215-5865 (303) 239-4463 FAX (303) 239-4405 www.state.co.us/gov_dir/cdps/dfs.htm</p>	<p>Funds are available for HAZMAT training.</p> <p>The state also coordinates firefighter training, but students must pay for the courses.</p> <p>Technical assistance is also available.</p>
<p>CONNECTICUT Commission on Fire Prevention and Control State Fire Administrator PO Box 3383 Windsor Locks, CT 06906-3383 (860) 627-6363 FAX (860) 659-1889 www.state.ct.us/cfpc</p>	<p>The state subsidizes in-service training.</p> <p>Through Limited Access Highway Reimbursement Fund, volunteer fire departments that respond for vehicle fires or extrications on certain highways in the state are eligible for \$100 per call for each company that responds. Fire companies can also be designated to respond on certain stretches of roadway and are paid \$100 per year for this service in addition to the \$100 per call.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>DELAWARE</p> <p>Fire Prevention Commission 1463 Chestnut Grove Road State Fire Service Center Dover, DE 19904-9610 (302) 739-4773 FAX (302) 739-6245</p> <p>State Fire Marshal 1537 Chestnut Grove Road State Fire Service Center Dover, DE 19904-9610 (302) 739-5665 FAX (302) 739-3696</p> <p>Delaware State Fire School Louis J. Amabili Training Center 1461 Chestnut Grove Road Dover, DE 19904-9610 (302) 739-4773 FAX (302) 739-6245</p> <p>www.state.de.us/dvfa/index.html</p>	<p>Tax Rebate funds are available through county and city governments based on the value of insurance policies in the county/city.</p> <p>Grant-in-Aid funds are available from the state general funds.</p> <p>Matching funds available for fire prevention programs.</p> <p>State general funds purchase automobile extrication equipment.</p> <p>State funds all critical incident stress debriefing programs.</p> <p>State funds are available to develop infrastructure for 800 Mhz radio systems.</p> <p>Low interest loans may be available.</p> <p>Departments are able to purchase items at state contract provides.</p> <p>Training is partially subsidized.</p> <p>Fire departments are given first choice of items sold through the Delaware Surplus Services Program.</p> <p>Scholarships may be available at community colleges.</p>
<p>FLORIDA</p> <p>State Fire Marshal Department of Insurance Larson Building 200 E. Gaines Street Tallahassee, FL 32399-0300 (850) 922-3170 FAX (850) 922-1235</p> <p>Florida State Fire College (352) 732-1330 www.fsfcl.edu</p>	<p>One grant program is available through the Fire Marshal's Office, the Florida Fire and Emergency Service Instructional Network Grant. Fire departments that are geographically unable to train at the state fire college are eligible to receive computer hardware and software (valued in excess of \$4000).</p> <p>Numerous training opportunities are available through Florida State Fire College.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>GEORGIA State Fire Marshal Office of the Comptroller General-Dept. of Insurance Floyd Building, 620 W. Tower, Room 716 No. 2, Martin Luther King Jr., SW Atlanta, GA 30334 (404) 656-2064 FAX (404) 657-6971</p> <p>Georgia Fire Academy 1000 Indian Springs Drive Forsyth, GA 31029-9599 (912) 993-4670</p>	<p>Training is available free through the state fire academy.</p> <p>Other programs and technical assistance may be available through the Fire Marshal's Office or the Georgia Forestry Commission.</p> <p>The Georgia Firemen's Pension Fund is available to firefighters in departments with an ISO rating of 8 or lower. Dues are \$15 per month and full retirement is available at 55 with 25 years of service. Contact: Georgia Firemen's Pension Fund, (404) 370-5070.</p>
<p>HAWAII State Fire Council Administrator Department of Labor and Industrial Relations 3375 Koapaka St., Ste. H-425 Honolulu, HI 96819-1869 (808) 831-7771 FAX (808) 831-7777</p>	<p>County of Hawaii is the only county in the state that has volunteers.</p>
<p>IDAHO Idaho State Fire Marshal Department of Insurance 700 W. State Street, Third Floor Boise, ID 87320 (208) 334-4250 FAX (208) 334-3498 www.doi.state.id.us/firemars/firemars.htm</p>	<p><i>Community Development Block Grants</i> are available through the Department of Commerce, (208) 334-2470, for infrastructure improvement (i.e. building fire stations.)</p> <p>There are no loans/grants available for operational items at this time. The state runs a firefighter training facility, however, there are no subsidies and firefighters must pay the going rate.</p>
<p>ILLINOIS Fire Marshal's Office 1035 Stevenson Drive Springfield, IL 62703 (217) 785-1021 FAX (217) 782-1062 www.state.il.us/osfm</p> <p>Dept. of Natural Resources-Division of Forest Resources (217) 782-2361</p>	<p>A grant-in-aid program is available to reimburse departments for the costs of firefighter training. It is only available to departments whose municipalities have passed ordinances approving participation in the program.</p> <p><i>RCFP</i> grants are available through the Division of Forest Resources. Grants are 50/50 matching, up to \$5,000.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>INDIANA Department of Fire and Building Services Indiana Government Center South 402 W. Washington Street, Room E241 Indianapolis, IN 46204-2739 (317) 232-2226 FAX (317) 233-0307 www.state.in.us/sema/osfm.html</p> <p>Division of Forestry (317) 232-4105</p>	<p>There is no direct financial assistance available to local agencies at this time. Free training may be available through the Public Service Training Institute. SEMA offers HAZMAT training funded by the <i>Federal SARA III Program</i>.</p> <p>Fire Departments may be eligible for Community Focus Fund Grants through the Department of Commerce. The Division of Forestry administers the Federal <i>RCFP</i> grant program and the <i>Federal Excess Property Program</i>.</p>
<p>IOWA State Fire Marshal 621 E. Second Street Des Moines, IA 50309 (515) 281-5821 FAX (515) 242-6299 www.state.ia.us/government/dps/fm/isfm.html</p> <p>Fire Service Institute Iowa State University Ames, IA 50011-3100 (515) 294-6817</p>	<p>Volunteer fire departments only are eligible for a \$850/year grant for training and/or PPE through the State Fire Marshal's Office. A grant program is available through the Department of Economic Development for varying amounts. It is available to clusters of communities that apply together in order to assess their emergency services needs and determine ways to share resources.</p> <p>The state provides fund, technical assistance and training through the Fire Service Institute.</p> <p><i>Federal funds (RCFP and FEPP)</i> are available through the Forests and Forestry Division of the Department of Natural Resources.</p>
<p>KANSAS State Fire Marshal 700 SW Jackson, Suite 600 Topeka, KS 66603-3714 (913) 296-3401 FAX (913)296-0151</p>	<p>There is no direct financial assistance available to local agencies at this time.</p> <p>Training may be available at little or no cost.</p> <p>The Kansas Forest Service administers the <i>FEPP</i>.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>KENTUCKY Kentucky Fire Commission 1047 US Rt. 127 South, Suite 5 Frankfort, KY 40601-4337 (502) 564-3473 FAX (502) 564-6552 www.state.ky.us/agencies/housing/firecomm.htm</p>	<p>The Incentive Pay Program pays out a \$2,500 stipend to career firefighters who complete 400 hours of training in their first year of employment and 100 hours of continuing education annually.</p> <p>The State Aid Fund provides up to \$500 per year to volunteer fire departments.</p> <p>The Regional Training Facility Grant Program allots \$200,000 per year to upgrade regional training centers around the state.</p> <p>The Low Income Loan Program lends up to \$50,000 at 3% interest for up to 12 years with payments withheld from the annual state volunteer aid check.</p> <p>Up to a \$50,000 death benefit is paid to survivors (dependents) of a firefighter killed in the line of duty. The firefighter’s spouse and children are also entitled to free education at any Kentucky state university or vocational school.</p> <p>Hepatitis-B vaccinations are paid for by the state.</p> <p>The state pays Worker’s Compensation for volunteers.</p>
<p>LOUISIANA Department of Public Safety and Corrections State Fire Marshal 5150 Florida Boulevard Baton Rouge, LA 70806 (504) 925-4911 FAX (504) 925-4241 www.dps.state.la.us/sfm/index.htm</p> <p>Louisiana State University State Firemen Training Center 6868 Nicholson Extension Baton Rouge, LA 70803 (504) 706-0600</p>	<p>The Louisiana Department of Treasury redistributes 2 percent fire insurance tax to local parishes for firefighter welfare.</p> <p>The state subsidizes training to volunteer firefighters through a .25% fire insurance tax.</p> <p>Supplemental pay is available to full-time firefighters each month through the Office of Management & Finance.</p> <p><i>Federal Block Grants</i> are available for hydrants, trucks, etc.</p> <p>The State Fire Marshal’s Office buys volunteer firefighters insurance for local departments that submit their rosters.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>MAINE Maine State Fire Marshal Department of Public Safety 52 State House Station Augusta, ME 04333-0087 (207) 287-3473 FAX (207) 287-5163</p>	<p><i>RCFP</i> and <i>FEPP</i> are available through the Forest Fire Control Division of the Maine Forest Service.</p>
<p>MARYLAND State Fire Marshal Department of Public Safety and Correctional Services 300 East Joppa Road, Suite 1002 Towson, MD 21286 (410) 339-4200 FAX (410) 339-4215</p> <p>Maryland Fire and Rescue Institute (MFRI) University of Maryland 6200 Pontiac Street Berwyn Heights, MD 20740 (301) 220-7240 FAX (301) 220-0923 www.mfri.org</p>	<p>Grants are available for capital improvements through the Fire, Rescue and Ambulance Fund.</p> <p>The Volunteer Emergency Assistance Trust Fund is administered through the county commissioner/treasurer in each county and is available to departments that have suffered a major disaster that has limited their ability to provide service up to state standards.</p> <p>Free training is available through MFRI to anyone affiliated with an accredited fire department in the state.</p>
<p>MASSACHUSETTS Department of Public Safety Department of Fire Services P. O. Box 1025 Stow, MA 01775 (978) 567-3100 FAX (978) 567-3121</p> <p>Massachusetts Firefighting Academy (978) 567-3200 FAX (978) 567-3121 www.state.ma.us/dfs/dfshome.htm</p>	<p>Training at the state academy is free to anyone affiliated with a recognized fire department in the state. The academy is funded by an assessment on the insurance industry.</p> <p>Technical assistance is available through the state Department of Fire Services.</p> <p><i>RCFP</i> (up to \$2,000 per department) and <i>FEPP</i> grants are available through the state Department of Environmental Management.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>MICHIGAN State Fire Marshal Department of State Police 7150 Harris Drive Lansing, MI 48913 (517) 322-5454 FAX (517) 322-5850</p>	<p>The legislature budgets at least \$3,000 per year per county. The counties can then distribute the money however they wish.</p> <p>The state also administers federal programs such as the anti-terrorism initiative.</p> <p><i>RCFP</i> grants (up to \$500 per department) are available through the Department of Natural Resources.</p>
<p>MINNESOTA State Fire Marshal's Office Department of Public Safety 444 Cedar Street, Suite 1145 St. Paul, MN 55101-5145 (612) 215-0500 FAX (612) 205-0525 www.dps.state.mn.us</p>	<p>Loans are available through the state Farm Credit Bureau for equipment, etc.</p> <p>Training is available, funded by <i>federal grants</i> for HAZMAT and the anti-terrorism initiative. Tuition for firefighter education at technical schools may be subsidized.</p> <p>The Division of Forestry administers the <i>RCFP</i> and <i>FEPP</i>.</p>
<p>MISSISSIPPI Fire Programs P.O. Box 22542 Jackson, MS 39225-2542 (601) 359-1062</p> <p>Mississippi Forestry Commission (601) 359-1356 www.mfc.state.ms.us</p> <p>Mississippi Fire Academy www.doi.state.ms.us/fa_home.html</p>	<p>Funds may be available through the state Fire Marshal's Office.</p> <p><i>CDBG</i> available from the Public Facilities Department.</p> <p><i>FEPP</i> available through the Mississippi Forestry Commission.</p>
<p>MISSOURI State Fire Marshal Division of Fire Safety Department of Public Safety P. O. Box 844 Jefferson City, MO 65102 (573) 751-2930 FAX (573) 751-1744</p>	<p>Free training is available through the University of Missouri.</p> <p>Excess vehicles and matching grants may be available through the Department of Conservation.</p> <p>Fire departments may be eligible for <i>CDBG</i> funds through the Department of Economic Development.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>MONTANA Montana State Fire Marshal Dept. of Justice Criminal Investigation Division 1310 Lockey PO Box 201415 Helena, MT 56920-1415 (406) 444-2050 www.doj.state.mt.us/les/firmarsh.htm</p>	<p>No grant or loan programs available.</p> <p><i>RCFP</i> funds available.</p>
<p>NEBRASKA State Fire Marshal 246 South 14th Street Lincoln, NE 68508 (402) 471-2027 FAX (402) 471-3118</p>	<p>Some state subsidized training may be available.</p> <p><i>RCFP</i> funds are available.</p>
<p>NEVADA State Fire Marshal Capitol Complex 107 Jacobsen Way/Stewart Facility Carson City, NV 89710 (702) 687-4920 FAX (702) 687-5122</p>	<p>Grant funds are available through the state Emergency Response Commission for Haz Mat response training and equipment.</p> <p>Other assistance may be available through the state Fire Marshal’s Office.</p>
<p>NEW HAMPSHIRE State Fire Marshal Department of Public Safety 10 Hazen Drive Concord, NH 03305 (603) 271-3294 FAX (603) 271-3903</p>	<p>No direct financial assistance is available to local agencies at this time.</p> <p>Subsidized classes and training are available at the NH Fire Academy.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>NEW JERSEY State Fire Marshal Division of Fire Safety 101 South Broad Street Trenton, NJ 08625-0809 (609) 633-6106 FAX (609) 633-6134</p>	<p>The Volunteer Emergency Service Organization Loan program provides loans of up to \$50,000 at 2% interest over 10 years to volunteer fire departments. The Volunteer Recruitment and Retention program provides guidance and assistance to fire departments in recruiting new members and encouraging existing members to stay.</p> <p>Training opportunities and technical assistance may be available through the Division of Fire Safety.</p>
<p>NEW MEXICO State Fire Marshal Dept. of Insurance 142 W. Palace, P. O. Drawer 1269 Santa Fe, NM 87504-1269 (505) 827-3550 FAX (505) 827-3778</p>	<p>Every recognized department in the state receives funds through the state’s Fire Protection Fund (\$14 million.) Newly created departments are awarded \$100,000 from the fund.</p> <p>Free training may be available.</p> <p>Fire departments may be eligible for low-interest loans through the New Mexico Finance Authority.</p>
<p>NEW YORK State Fire Administrator Office of Fire Prevention and Control-Dept. of State 41 State Street Albany, NY 12231 (518) 474-6746 FAX (518) 474-3240 www.dos.state.ny.us/fire/firewww.html</p>	<p>Federal fire suppression grants are available through SEMO. Approximately \$16 million is available to assorted groups, including fire departments, as part of the member items funded by the legislature.</p> <p>The state sponsors a fire academy.</p> <p>The New York State Emergency Services Loan Program is a 2.5% fixed rate loan program available for equipment, apparatus, etc.</p> <p><i>RCFP</i> grants are available through the state Forestry Division. <i>Federal surplus property</i> is available through the Office of General Services.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>NORTH CAROLINA Fire & Rescue Commission Department of Insurance P. O. Box 26387 Raleigh, NC 27611 (919) 733-2142 FAX (919) 733-9076 www.ncdoi.com/ncfr</p>	<p>Grants of \$15,000 (matching) and \$3000 (matchless) are available from the Volunteer Rescue/EMS Fund.</p> <p>The Firemen’s Relief Fund provides money for the families of firefighters killed in the line of duty. Funds can also be used for supplemental retirement, educational benefits and to purchase other insurance/pension protection.</p> <p>The Rescue Squad Workers’ Relief fund provides funds to financially assist any rescue or EMS worker in active service from financial loss while performing his/her duties.</p> <p>Grants of up to \$20,000 are available from the Volunteer Fire Department Fund.</p>
<p>NORTH DAKOTA State Fire Marshal PO Box 1054 Bismarck, ND 58502-1054 (701) 328-5555 FAX (701) 328-4880</p> <p>Department of Insurance 600 East Boulevard Bismarck, ND 58505 (701) 328-2930 FAX (701) 328-4880</p>	<p>RCFP grants are available through the North Dakota Forest Service.</p> <p>The Department of Insurance pays fire districts with funds from an assessment on insurance premiums in the state.</p>
<p>OHIO State Fire Marshal Dept. of Commerce 8895 E. Main Street, P.O. Box 525 Reynoldsburg, OH 43068 (614) 752-7167 FAX (614) 752-7213 www.com.state.oh.us/fire/</p>	<p>Grants are available to departments that participate in NFIRS (approximately \$725,000-varies with the legislature every year.)</p> <p>The state fire academy is subsidized through an assessment on fire insurance premiums.</p> <p><i>RCFP</i> grants are available through the Division of Forestry.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>OKLAHOMA State Fire Marshal Department of State Police 4545 Lincoln Boulevard, Suite 280 Oklahoma City, OK 73105 (405) 524-9610 FAX (405) 524-9810</p>	<p>Free training is available through the Oklahoma State University Fire Training Center.</p> <p><i>RCFP</i> grants are available through the Department of Agriculture.</p> <p>\$500 grants and many other programs are available through rural fire coordinators. Contact rural coordinator for more details.</p>
<p>OREGON State Fire Marshal Department of State Police 4760 Portland Road, NE Salem, OR 97305-1760 (503) 378-1825 FAX (503) 373-1825</p>	<p>Public education grants may be available to fire departments.</p> <p>No grants are available from the state for training, operations, etc. at this time.</p> <p>Scholarships may be available from organizations such as the Volunteer Firefighters Association, etc.</p>
<p>PENNSYLVANIA State Fire Commissioner’s Office Pennsylvania Emergency Management Agency (PEMA) P. O. Box 3321 Harrisburg, PA 17105-3321 (717) 651-2200 FAX (717) 651-2210 www.state.pa.us/pa_exec/osfc/index.htm</p>	<p><i>RCFP</i> grants and <i>FEPP</i> are available through the Bureau of Forestry.</p> <p>Low interest (2%) loan financing to volunteer fire, rescue and emergency medical service units seeking to acquire or upgrade equipment, apparatus or facilities through Office of the State Fire Commissioner.</p>
<p>RHODE ISLAND State Fire Marshal 272 W. Exchange St. Providence, RI 02903 (401) 277-2335 FAX (401) 273-1222</p>	<p>There is no financial aid available to local agencies at this time.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>SOUTH CAROLINA State Fire Marshal Department of Labor, Licensing and Regulation 141 Monticello Trail Columbia, SC 29203 (803) 896-9806 FAX (803) 896-9806</p>	<p>State supported fire academy.</p> <p><i>RCFP</i> grants are available through the Department of Forestry.</p> <p><i>Federal Excess Property</i> is available through the local Forestry Commission County Rangers.</p>
<p>SOUTH DAKOTA State Fire Marshal Dept. of Commerce & Regulation 118 W. Capitol Avenue Pierre, SD 57501-2036 (605) 773-3562 FAX (605) 773-6631</p>	<p>Assistance is available through the Department of Agriculture, Division of Resource Conservation and Forestry.</p> <p><i>Federal surplus property</i> is available through the Office of Federal Surplus Property.</p>
<p>TENNESSEE State Fire Marshal Department of Commerce and Insurance 500 James Robertson Parkway Nashville, TN 37243 (615) 741-2981 FAX (615) 741-1583</p> <p>Dept. of Economic and Community Development (615) 741-3282</p> <p>Department of Agriculture Division of Forestry (615) 360-0720</p> <p>Tennessee Emergency Management Agency (615) 741-0001</p> <p>Board of Regents (University System) (615) 366-4400</p>	<p>Funds for the purchase of fire apparatus and equipment.</p> <p><i>CDBG</i> provide between \$2.5 and \$4 million per year for competitive grants including grants to fire departments.</p> <p><i>RCFP</i> and <i>FEPP</i> are available through the Division of Forestry.</p> <p>HAZMAT and emergency management training available through TEMA.</p> <p>Other subsidized training may be available through the university system and the Board of Regents.</p> <p>State funded dry hydrant program.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>TEXAS Commission on Fire Protection P.O. Box 2286 Austin, TX 78768-2286 (512) 918-7100 FAX (512) 918-7107</p>	<p>Fire Dept. Emergency Fund provides \$1 million in grants/ low-interest loans to departments with critical equipment needs.</p> <p>The Texas Forest Service administers <i>RCFP</i> and <i>FEPP</i>.</p>
<p>UTAH State Fire Marshal Department of Public Safety 5272 South College Drive, Suite 302 Murray, UT 84123 (801) 284-6530 FAX (801) 284-6351</p>	<p>Classes are offered at little or no cost through the Utah Fire and Rescue Academy.</p> <p>The Division of Forestry administers <i>RCFP</i> and <i>FEPP</i>.</p>
<p>VERMONT Fire Prevention Division Department of Labor & Industry National Life Bldg., Drawer 20 Montpelier, VT 05720-3401 (801) 828-2106 FAX (801) 965-2195</p> <p>Fire Service Training Council (802) 483-9407</p>	<p>No grant or loan programs are available at this time. Some subsidized training may be available.</p>
<p>VIRGINIA State Fire Marshal Department of Housing and Community Development Jackson Center 501 North Second Street Richmond, VA 23219-1321 (804) 371-7150 FAX (804) 371-7092</p> <p>Dept. of Forestry (804) 977-6555</p>	<p><i>RCFP</i> grants are available through the Department of Forestry.</p> <p>For communities that are eligible, the state Department of Forestry will install dry hydrants for free.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>WASHINGTON State Fire Marshal Washington State Patrol P. O. Box 42600 Olympia, WA 98504-2600 (360) 753-0400 FAX (360) 586-1628 www.wa.gov/wsp/fire/firemars.htm</p> <p>Department of Natural Resources Fire Prevention Program Coordinator (360) 902-1315 www.wa.gov/dnr</p>	<p>The Department of Natural Resources administers <i>FEPP</i>.</p> <p>Subsidized training may be available through the state fire academy.</p> <p>Wildland firefighter training scholarships are available through the Department of Natural Resources and are subsidized with <i>RCFP</i> funds.</p>
<p>WEST VIRGINIA State Fire Marshal 1207 Quarrier Street, Second Floor Charleston, WV 25301 (304) 558-2191 FAX (304) 558-2537</p>	<p>Every department recognized by the state receives funds from a 1% insurance tax premium. In order to receive and maintain these funds, departments must participate in NFIRS.</p>
<p>WISCONSIN State Fire Marshal Department of Justice 123 W. Washington Avenue Madison, WI 53702 (608) 266-1671 FAX (608) 267-2777</p> <p>Dept. of Military Affairs/ Div. of Emergency Mgmt. (608) 242-3228 badger.state.wi.us/agencies/dma</p> <p>Fire Safety Consultants, Safety and Buildings Division Department of Commerce (608) 845-5375</p> <p>Department of Natural Resources (608) 242-3650</p> <p>Wisconsin Technical College System Board (608) 266-1285 www.tec.wi.us</p>	<p>The state coordinates a Volunteer Firemens' Pension Fund.</p> <p><i>RCFP</i> grants are available through the Department of Natural Resources.</p> <p>Technical assistance, code training, code consultation and enforcement support are available from Fire Safety Consultants in the Safety and Buildings Division of the Department of Commerce.</p> <p>The Wisconsin Technical College System Board coordinates fire education and training throughout the state.</p> <p>Regional, level "A" HAZMAT teams are funded by the state. Funding and training assistance are available for the development of county/local level "B" teams.</p>



Table 3.2 State by State Funding for Fire/Rescue Programs (Continued)	
STATE/CONTACT INFORMATION	PROGRAMS
<p>WYOMING State Fire Marshal Department of Fire Prevention and Electrical Safety Herschler Building, First Floor, West Cheyenne, WY 82002 (307) 777-7288 FAX (307) 777-7119</p>	<p>Office coordinates training for firefighters in the state. Technical assistance, including investigations and code enforcement, is also available.</p>





CHAPTER FOUR

FEDERAL GOVERNMENT SOURCES FOR FIRE AND EMS FUNDING

This chapter lists several of the major funding mechanisms through the Federal Government.

Some federal agencies have grant programs for specific fire- or EMS-related purposes, and some have more general programs that can be used to help fund fire and EMS programs. A list of the federal programs related to the fire service can be found in the U. S. Fire Administration's document, "Federal Domestic Assistance Information."¹ The complete list is not repeated in this report, only a few of the more noteworthy programs. A listing of some federal programs related to EMS may be found in the Appendix.

Most of the federal programs available for fire and EMS are administered by state agencies. Very few programs exist where the federal government gives aid directly to a local fire or EMS department, although fire and rescue departments serving federal installations may be eligible for direct funds or equipment.

The state governor's office is usually an excellent resource for information on federal funds administered by the state. Local members of the U.S. House of Representatives or the U.S. Senate also may be helpful in bridging the gap between federal programs and local governments.

CATALOG OF FEDERAL DOMESTIC ASSISTANCE

The Catalog of Federal Domestic Assistance (CFDA) is a compilation of Federal programs, projects, services, and activities, which provide assistance or ben-

efits to the American public. It contains financial and non-financial assistance programs administered by the various departments and establishments of the federal government.

Included in the CFDA's listings are a number of programs of particular interest to fire/rescue departments as well as EMS agencies. These include direct financial assistance, such as grants and loans, as well as funds for training, technical assistance, etc. The CFDA is available online at www.gsa.gov/fdac. Through this site it is possible to search the CFDA for programs specifically related to the fire service.

In order to obtain the CFDA, agencies can request a printed copy from the Superintendent of Documents, U.S. Government Printing Office. Tape, diskette, and CD-ROM versions of the Catalog are also available for purchase from the General Services Administration, 300 Seventh Street, Suite 101, Washington, DC 20407, (202) 708-5126.

Programs in the CFDA are listed according to the agency responsible for their administration. Each listing includes the agency responsible for the program, authorization upon which the program is based, objectives and goals of the program, types of assistance available through the program, eligibility requirements, application information, points-of-contact, and other relevant information.



Selected Programs from the CFDA

- **Reimbursement for Firefighting on Federal Property (83.007)**
Fire service organizations engaging in firefighting operations on federal property may be reimbursed for the direct expenses and losses (those not considered normal operating expenses) incurred in firefighting.
- **National Fire Academy Educational Program (83.010)**
Training is provided at the resident facility in Emmitsburg, MD, and in the field in cooperation with state or local fire training agencies. Any individual who is a member of a fire and/or department or has significant responsibility for fire prevention and control is eligible.
- **Student Stipend Reimbursement Program (83.009)**
Travel stipends are available to students attending courses at the National Fire Academy, train-the-trainer, and in-service instructor training.
- **HAZMAT Training Program for Implementation of the Superfund Amendments and Reauthorization Act (SARA) of 1986 – SARA Title III Training Program (83.011)**
Funding is available to support programs of state, local, and tribal governments designed to improve emergency planning preparedness, mitigation, response, and recovery capabilities. These programs must provide special emphasis on emer-

gencies associated with hazardous chemicals.

- **Civil Defense – State and Local Emergency Management Assistance (83.503)**
Funds are to be used for the payment of salaries and benefits of State and local emergency management employees along with essential administrative expenses. Funds must be used to support development and maintenance of an emergency management capability for dealing with large-scale disasters caused by any and all hazards.

These are only a few examples of the programs listed in the CFDA. Many others are available that might be beneficial to fire departments and EMS agencies.

GUIDE TO FEDERAL RESOURCES FOR EMERGENCY SERVICES DEPARTMENTS

This Guide, published by the US Fire Administration, has been designed to assist emergency services departments in locating resources provided at no cost by the federal government. The Guide can be obtained in print by contacting the Publications Center of the USFA. It is also available online at the USFA website – www.usfa.fema.gov/usfapubs. It is possible to search for specific types of programs using the online search engine. The guide also contains a section on how to write a grant proposal –a similar section is also found in this manual.



RURAL COMMUNITY FIRE PROTECTION (RCFP)

Rural Community Fire Protection grants are often available through state forestry agencies or natural resources departments. Rural departments may be eligible for financial assistance to develop the rural water supply or to fund the purchase of protective equipment, hose, or apparatus. Funds often are in the form of matching grants. A downside to this program is that only limited funds (a few hundred to several thousand dollars) may be available to most individual departments each year. The federal government is currently providing about \$35.5 million through this program. It is administered by the Forestry Division of the U.S. Department of Agriculture.

FEDERAL EXCESS PROPERTY PROGRAMS

FEPP, or surplus federal property programs, are available in most states through state departments of surplus or state government auction agencies. These programs provide surplus government property, including military vehicles, to local government agencies. The federal government may retain title to the vehicle in case of national emergency, but often the vehicles are auctioned off for low prices. In Kansas, the FEPP program is administered through the rural fire protection training office at the University of Kansas, allowing departments easy access to this program. Other states may have similar points of contact.

COMMUNITY DEVELOPMENT BLOCK GRANTS

Funded by the Department of Housing and Urban Development (HUD), the Community Development Block Grants (CDBG) program is highly competitive. Its funds are available to local governments for special projects, including fire protection. There are many restrictions on how these funds can be spent.

Several billion dollars a year are budgeted for Community Development Block Grants. Nearly half of this money is allocated to states for the disbursement to local communities on a competitive basis. The remainder is typically earmarked for urban counties with populations greater than 200,000. These funds are generally allocated to low and moderate income communities for infrastructure improvements.

Local governments consider Community Development Block Grants an important funding source. These funds have been used to purchase and equip fire and EMS apparatus. Departments have used the Block Grant funds to make stations and fire department facilities compliant with the Americans with Disabilities Act and make necessary expansions and improvements to facilities to improve service delivery.

In some areas, CDBG funds have been used to improve water supply systems for firefighting in rural communities. Such improvements have helped a number of small communities lower homeowner's and business insurance premiums by improving the community's Insurance Services Office (ISO) rating.



Some fire departments draw funding from CDBGs to provide smoke detectors to members of the community. With limited funds available for prevention materials in many department budgets each year, this money can enhance the ability of the department to help its citizens. However, federal funds often must be used for specified purposes. For example, smoke detector funds may only be used to provide detectors to residents who cannot afford them.

One of the challenges in applying for block grants is the paperwork. Some fire departments applying for CDBG assistance have been eager to receive funds, but unwilling to complete the steps required to obtain approval. To qualify for CDBG funds, communities must demonstrate that they meet income guidelines. For many communities, especially ones where census figures place them close to the cutoff, an income survey of households is required.

The U.S. Department of Housing and Urban Development (HUD) has programs in place to make it easier for communities to obtain CDBG assistance. Recent Congressional authorization allows governors to set aside one percent of their state's CDBG funds for technical assistance programs for local governments. One of the ways this money can be spent is in helping communities learn how to perform local income surveys.

MILITARY BASE AND FEDERAL INSTALLATION AGREEMENTS

Nearby military bases and federal installations may be a source of funds in exchange for services. De-

partments that provide services to bases may be eligible for financial aid, reimbursement for on-site operations, or special equipment. These arrangements are usually worked out through the local directors of the federal installation, or the military base commander, with the funding included in the installation's annual budget.

Some forms of indirect assistance also may be available, such as a mutual aid agreement with nearby federal fire departments. It is usually up to the base commander as to whether units will be allowed off base, but most are willing to work out mutually beneficial plans with local authorities.

ENVIRONMENTAL PROTECTION AGENCY-LOCAL GOVERNMENTS REIMBURSEMENT PROGRAM

Up to \$25,000 may be available from the Local Governments Reimbursement program through the Environmental Protection Agency. Departments which are a general purpose unit of local government are covered under this program. Incidents involving releases, or threatened releases, of hazardous materials are covered under the Local Government Reimbursement program.

EPA can reimburse departments up to \$25,000 per incident for costs that a local government incurs as a direct result of an emergency response. To be reimbursed, agencies must properly document the costs and certify that there is no budgeted money for these expenses. This could include expendable materials and supplies, renting or leasing equipment, special technical and lab services, evacuation services, decontamination of equipment, over-



Contact:

Local Governments
Reimbursement Program
Environmental Protection
Agency
401 M Street, SW
Washington, DC 20460
(800) 431-9209
[www.epa.gov/superfund/
programs/er/lgr](http://www.epa.gov/superfund/programs/er/lgr)

time pay and replacement costs for equipment lost or destroyed.

To apply after an incident, agencies must complete and submit to EPA a basic application and provide supporting cost documentation.

DEPARTMENT OF TRANSPORTATION

Hazardous Materials Uniform Safety Act

This Act provides \$76.8 million in grants to states, Native American tribes, and local emergency personnel responding to hazardous materials incidents. Contact RSPA/DOT for more information at (202) 366-6119.

EMS-Related Funds (EMS only)

United States Department of Transportation Highway Safety Funds are available for a variety of EMS programs. Some departments have used these funds to purchase EMS equipment such as ambulances and automatic defibrillators. Other agencies have used this source to fund training programs for first-responders, emergency medical technicians, and paramedics.

FEDERAL PROPERTY REIMBURSEMENT AGREEMENT (PL-93-498)

Departments involved in firefighting on federal property may be eligible for reimbursement of expenses incurred. These expenses may include salary and overtime pay, supplies, repair and replacement costs for damaged or destroyed tools and equipment. The program is administered through the United States Fire Administration, 16825 South Seton Ave., Emmitsburg, MD 21727.

UNITED STATES DEPARTMENT OF AGRICULTURE

Farmer's Home Administration Loans

In 1992, over \$17 million was loaned by the USDA to rural fire and EMS departments around the country. Over \$217 million has been loaned since 1974. The money has been used to fund new stations and purchase apparatus and equipment.

Contact:

Department of
Agriculture
Rural Development
Administration
Community Facilities
Division
14th and Independence
Avenue, SW
Washington, DC 20250

Community Facilities Program

The Rural Housing Service administers the Community Facilities Program and is authorized to make loans and grants to develop community facilities for public use in rural areas and towns of not more than 50,000 people.



The program is intended to be the lender of last resort for rural public/nonprofit organizations – including fire departments and rescue squads – needing to finance essential public structures and services.

Grant and loan funding is provided to those organizations that adequately demonstrate satisfactory sources of money to operate, maintain, and repay the debt. Desired projects must be consistent with community development plans and comply with federal, state, and local laws.

Funding obtained through the Community Facilities Program may be used to construct, enlarge, or improve fire stations and buildings to house fire and/or rescue equipment. In addition, funds may also be used:

- To purchase fire trucks, ambulances, or emergency communication equipment.
- To buy or build fire and rescue multi-service centers.
- To pay necessary costs connected with these facilities.

Loan Program

The loan programs provides loan guarantees to lenders for up to 80 percent of the loans. The loan program is subdivided into two separate types of loans: guaranteed loans and direct loans. The loans are differentiated by the way terms and interest rates are set. Under the guaranteed loan program, the lender and borrower negotiate the terms and interest rates. Interest rates and terms for the direct loan program are structured into three levels and are based on the median household income of

the project service area. The three interest rate categories are:

- **Poverty Line Rate (4.5%)** – To qualify for this rate, the loan purpose must be to correct an existing health/sanitary condition to be in compliance with a regulatory agency’s established standard or be a facility that provides direct health care to the public.
- **Intermediate Rate (4.85%)** – Applicants not qualifying for the poverty line rate would qualify for the intermediate rate of interest.
- **Market Rate (5.125%)** – This rate is based on the Bond Buyer Index and applies to all loans that do not meet the poverty or intermediate rate requirements.

Interest rates for the direct loan program are set periodically. The intermediate and market rates are adjusted quarterly in accordance with the Bond Buyers Index. However, while the rates are adjusted quarterly, a borrower always receives a fixed rate of interest when the loan is closed.

All loans are required to be secured to adequately protect the interest of the federal government and the lender. Bonds or notes pledging taxes, assessments, or revenues are acceptable forms of security if they meet statutory requirements. Where state laws permit, a mortgage may be taken on real and personal property. Tax-exempt notes or bonds may be issued to secure direct loans, but cannot be used for guaranteed loans.



The maximum term on all loans is 40 years. However, no repayment period will exceed any statutory limitation on the organization's borrowing authority nor the useful life of the improvement or the facility.

In order for fire departments and rescue squads to qualify for this program they must:

- Be unable to obtain needed funds from other sources at reasonable rates and terms.
- Have legal authority to borrow and repay loans, to pledge security for loans, and to construct, operate, and maintain the facilities or service.
- Be financially sound, and be able to organize and manage the facility effectively.

In fiscal year 1998, \$200 million was available through the direct loan program and \$164 million was available through the guaranteed loan program.

Grants

Grants are authorized on a graduated scale to assist in providing "essential" community services (i.e., "turn-out" gear is eligible under this program.) Essential projects are those that provide communities with basic health and human services that are essential to the quality of life in any rural community – this includes fire, rescue and emergency medical services. For example, defibrillators have been considered essential under this program.

Grant funding limitations are based on population and income, economic feasibility, and availability of

funds. Priority is given to applicants located in rural communities of 25,000 or less. Communities with lower populations will receive a higher percent of the grants – especially those communities with a population of 5,000 or less. Finally, projects that serve low-income communities will receive a higher priority.

Grant assistance may be available for up to 75 percent of project cost. Grant funding may be used in combination with other Community Facilities financial assistance, application contribution, or loans and grants from other from other facilities.

In fiscal year 1998, there was \$9.1 million available in grants.

Application Process

The application is a two-part process. An applicant must submit documentation to support its eligibility status and available funding before making a formal application. This is accomplished by completing a Standard Form 424.2, "Pre-application for Federal Assistance" and submitting it to the State Rural Development Field Office or U.S. Department of Agriculture Service Center. If the project meets eligibility requirements, the state office will invite applicant to submit a formal application and

Contact:

USDA Rural Housing
Service
Community Programs
Division
1400 Independence
Avenue, SW
Washington, DC 20250
(202) 720-1490
FAX (202) 690-0471
www.rurdev.usda.gov



request an application conference.

Assistance is available in completing the application process. In addition, RD Instructions 1980 and 3570 explain the application process in greater detail and can be obtained from any State Rural Development Field Office or U.S. Department of Agriculture Service Center.

FEDERAL TECHNICAL ASSISTANCE

Some fire and EMS departments obtain assistance by participating in research, training, or technical assistance programs of the federal government. The USFA's National Fire Academy subsidizes most of the cost of training students at its campus in Emmitsburg, Maryland and through outreach courses in various regions. Many fire departments have started juvenile firesetter programs with training and materials from USFA. Many prevention programs use free campaign kits produced by USFA. USFA has provided technical assistance on arson unit management to a number of fire departments, and has assisted hundreds of departments to improve fire prevention programs via grants to the states.²

CRIME-RELATED GRANTS

Often federal (and state) funds are available for equipment and staff time used in connection with crime control. Some innovative fire departments have succeeded in tapping these funds through their activities and programs dealing with arson and through fire department assistance in law enforcement activities.

ENDNOTES

- ¹ This document (FA-132) is available from the United States Fire Administration, 16825 S. Seton Avenue, Emmitsburg, Maryland 21727, (800) 238-3358, www.usfa.fema.gov.
- ² A complete list of USFA's free reports and materials may be obtained from the U.S. Fire Administration, 16825 S. Seton Avenue, Emmitsburg, Maryland 21727, www.usfa.fema.gov. The list is updated regularly.



CHAPTER FIVE

DEVELOPING EFFECTIVE GRANT PROPOSALS*

A successful grant proposal is one that is well-prepared, thoughtfully planned, and concisely packaged. The potential applicant should become familiar with all of the pertinent program criteria related to the program from which assistance is sought. Agencies may wish to refer to the information contact person for a description before developing a proposal to obtain information such as whether funding is available, when applicable deadlines occur, and the process used by the grantor agency for accepting applications or proposals. Applicants should remember that the basic requirements, application forms, information, and procedures vary with every agency and organization making a grant award.

INITIAL PROPOSAL DEVELOPMENT

Developing Ideas for the Proposal

When developing ideas for a proposal, it is important to determine if the idea has been considered in the applicant's locality or state. A careful check should be made with legislators, area government agencies and related public and private agencies which may currently have grant awards or contracts to do similar work. If a similar program already exists, the applicant may need to reconsider submitting the proposed project, particularly if duplication of effort is perceived. If significant differences or improvements in the proposed project's goals can be clearly established, it may be worthwhile to pursue grants and financial assistance.

Community Support

Community support for most proposals is essential. Once a proposal summary is developed, look for individuals or groups representing academic, political, professional and lay organizations who may be willing to support the proposal in writing. The type and caliber of community support is critical in the initial and subsequent review phases. Numerous letters of support can be persuasive to a granter agency or organization. Do not overlook support from local government agencies and public officials. Letters of endorsement detailing exact areas of project sanction and commitment are often requested as part of a proposal to a Federal agency. Several months may be required to develop letters of endorsement since something of value (i.e., buildings, staff, services) is sometimes negotiated between the parties involved.

Many agencies require, in writing, affiliation agreements (a mutual agreement to share services between agencies) and building space commitments prior to either grant approval or award. A useful method of generating community support may be to hold meetings with the top decision-makers in the community who would be concerned with the subject matter of the proposal. The forum for discussion may include a query into the merits of the proposal, development of a contract of support for the proposal to generate data in support of the proposal, or development of a strategy to create proposal support from a large number of community groups.

* The information contained in this chapter is designed primarily for agencies requesting funding from public sector/government sources. Private funding sources often have different requirements, although the information in this chapter will still serve as helpful, general guidance.



Identification of a Funding Resource

Once a potential grantor agency is identified, contact the organization/agency and ask for a grant application kit or formatting instructions for grant proposals. Agencies may also want to get to know some of the grantor agency personnel. Ask for suggestions, criticisms, and advice about the proposed project. In many cases, the more agency personnel know about the proposal, the better the chance of support and of an eventual favorable decision. Sometimes it is useful to send the proposal summary to a specific agency official in a separate cover letter, and ask for review and comments at the earliest possible convenience. Always check with the agency to determine its preference if this approach is under consideration.

If the review is unfavorable and differences cannot be resolved, ask the examining agency (official) to suggest another department or agency or organization which may be interested in the proposal. A personal visit to the agency's office or headquarters is also important. A visit not only establishes face-to-face contact, but also may bring out some essential details about the proposal or help secure literature and references from the agency's library or information resources.

The applicant should carefully study the eligibility requirements for each program under consideration. The agency may learn that it is required to provide services otherwise unintended such as a service to particular client groups, or involvement of specific institutions. It may necessitate the modification of the original concept in order for the project to be eligible for funding. Questions about eligibility should be discussed with the ap-

propriate program officer.

Deadlines for submitting applications are often not negotiable. They are usually associated with strict timetables for agency review. Some programs have more than one application deadline during the fiscal year. Applicants should plan proposal development around the established deadlines.

Getting Organized to Write the Proposal

Throughout the proposal writing stage, keep a notebook handy to write down ideas. Periodically, try to connect ideas by reviewing the notebook. Never throw away written ideas during the grant writing stage. Maintain a file labeled "ideas" or some other convenient title and review the ideas from time to time. The file should be easily accessible. The gathering of documents such as articles of incorporation, tax exemption certificates, and by-laws should be completed, if possible, before the writing begins.

REVIEW

Criticism

At some point, perhaps after the first or second draft is completed, seek out a neutral third party to review the proposal working draft for continuity, clarity and reasoning. Ask for constructive criticism at this point, rather than waiting for the grantor agency to volunteer this information during the review cycle. For example, has the writer made unsupported assumptions or used jargon or excessive language in the proposal?



Signature

Most proposals are made to institutions rather than individuals. Often signatures of chief executive/administrative officials are required. Check to make sure they are included in the proposal where appropriate.

Neatness

Proposals should be typed, collated, copied, and packaged correctly and neatly (according to agency instructions, if any.) Each package should be inspected to ensure uniformity from cover to cover. Binding may require either clamps or hard covers. Check with the grantor agency to determine its preference. A neat, organized, and attractive proposal package can leave a positive impression with the reader about the proposal contents.

Mailing

A cover letter should always accompany a proposal. Be sure to check with the grantor agency about mailing preferences. Also, methods of delivery (standard mail, overnight shipping, etc.) may also be dictated by the time between submission of the proposal and the deadline for the proposal's arrival at the grantor agency. Make sure there is enough time for the proposals to reach their destinations.

WRITING THE GRANT PROPOSAL

The Basic Components of a Proposal

There are many formats used for grant proposals. Each grantor agency will have specific guidelines about what needs to be included within a grant proposal and in what order they should be listed. As a general guideline, the following generic proposal format is discussed. Before using the generic proposal discussed here, be sure that your agency has investigated the preferences or requirements of the grantor agency to which you are addressing your proposal.

There are eight basic components to creating a solid proposal package: (1) the proposal summary; (2) introduction of organization; (3) the problem statement or needs assessment; (4) project objectives; (5) project methods or design; (6) project evaluation; (7) future funding; and (8) the project budget. The following will provide an overview of these components.

The Proposal Summary: Outline of Project Goals

The proposal summary outlines the proposed project and should appear at the beginning of the proposal. It could be in the form of a cover letter or a separate page, but should definitely be brief—no longer than two or three paragraphs. The summary would be most useful if it were prepared after the proposal had been developed in order to encompass all the key summary points necessary to communicate the objectives of the project. It is this document that becomes the cornerstone of your



proposal, and the initial impression it gives will be critical to the success of your venture. In many cases, the summary will be the first part of the proposal package seen by agency officials and very possibly could be the only part of the package that is carefully reviewed before the decision is made to consider the project any further.

Introduction: Presenting a Credible Applicant or Organization

The applicant should gather data about its organization from all available sources. Most proposals require a description of an applicant's organization to describe its past and present operations. Some features to consider:

- A brief biography of board members and key staff or members.
- The organization's goals, philosophy, track record with other grantors, and any success stories.
- The data should be relevant to the goals of the grantor or agency and should establish the applicant's credibility.

The Problem Statement: Stating the Purpose at Hand

The problem statement (or needs assessment) is a key element of a proposal that makes a clear, concise, and well-supported statement of the problem to be addressed. The best way to collect information about the problem is to conduct and document both a formal and informal needs assessment for a program in the target or service area. The information provided should be both

factual and directly related to the problem addressed by the proposal. Areas to document include:

- The purpose for developing the proposal.
- The beneficiaries who are they and how will they benefit?
- The social and economic costs to be affected.
- The nature of the problem (provide as much hard evidence as possible).
- How the applicant organization came to realize the problem exists and what is currently being done about the problem.
- The remaining alternatives available when funding has been exhausted. Explain what will happen to the project and the impending implications.
- Most importantly, the specific manner through which problems might be solved.
- Review the resources needed, considering how they will be used and to what end.

There is a considerable body of literature on the exact assessment techniques to be used. Any local, regional, or state government planning office, or local university offering coursework in planning and evaluation techniques, should be able to provide excellent background references. Types of data that may be collected include: historical, geographic, quantitative, factual, statistical, and philosophical information, as well as studies completed by colleges, and literature searches from public or university libraries.



Project Objectives: Goals and Desired Outcome

Program objectives refer to specific activities in a proposal. It is necessary to identify all objectives related to the goals to be reached and the methods to be employed to achieve the stated objectives. Consider quantities or things measurable and refer to a program statement and the outcome of proposed activities when developing a well-stated objective.

The figures used should be verifiable. Remember, if the proposal is funded, the stated objectives will probably be used to evaluate program progress, so be realistic. There is literature available to help identify and write program objectives.

Program Methods and Program Design: A Plan of Action

The program design refers to how the project is expected to work and solve the stated problem. Sketch out the following:

- The activities to occur along with the related resources and personnel needed to operate the project (inputs).
- A flow chart of the organizational features of the project may be a helpful addition. Describe how the parts interrelate, where personnel will be needed, and what they are expected to do.

It may be useful to devise a diagram of the program design. For example, draw a three-column block.

Each column is headed by one of the parts (inputs, throughputs and outputs), and on the left (next to the first column) specific program features should be identified (i.e., implementation, staffing, procurement, and systems development). In the grid, specify something about the program design, for example, assume the first column is labeled inputs and the first row is labeled personnel. On the grid, one might specify under inputs five counselors to conduct a juvenile arson prevention program. The throughput might be to counsel the juveniles, monitor vocational training and academic tutoring, and maintain records; outputs might be to document a 25% decline in juvenile arson incidents. This type of procedure will help to conceptualize both the scope and detail of the project.

Whenever possible, justify in narrative the course of action taken. The most economical method should be used that does not compromise or sacrifice project quality. The financial expenses associated with performance of the project will later become points of negotiation with the Federal grantor program staff. If everything is not carefully justified in writing in the proposal, the approved project may resemble less of the original concept. Carefully consider the pressures of the proposed implementation, that is, the time and money needed to acquire each part of the plan.

A Program Evaluation and Review Technique (PERT) chart could be useful and supportive in justifying some proposals. Highlight the innovative features of the proposal which could be considered distinct from other proposals under consideration. Whenever possible, use appendices to provide details, supplementary data, references, and information requiring in-depth analysis. These



types of data, although supportive of the proposal, if included in the body of the design, could detract from its readability. Appendices provide the proposal reader with immediate access to details if and when clarification of an idea, sequence, or conclusion is required. Time tables, work plans, schedules, activities, methodologies, legal papers, personal vitae, letters of support, and endorsements are examples of appendices.

Evaluations: Product and Process Analysis

The evaluation component is two-fold: (1) product evaluation; and (2) process evaluation. Product evaluation addresses results that can be attributed to the project, as well as the extent to which the project has satisfied its desired objectives. Process evaluation addresses how the project was conducted, in terms of consistency with the stated plan of action and the effectiveness of the various activities within the plan.

Federal agencies may require some form of program evaluation among grantees. The requirements of the proposed project should be explored carefully. Evaluations may be conducted by an internal staff member, an evaluation firm or both. The applicant should state the amount of time needed to evaluate, how the feedback will be distributed among the proposed staff, and a schedule for review and comment for this type of communication. Evaluation designs may start at the beginning, middle or end of a project, but the applicant should specify a start-up time. It is practical to submit an evaluation design at the start of a project for two reasons:

1. Convincing evaluations require the col-

lection of appropriate data before and during program operations; and

2. If the evaluation design cannot be prepared at the outset, then a critical review of the program design may be advisable.

Even if the evaluation design has to be revised as the project progresses, it is much easier and cheaper to modify a good design. If the problem is not well defined and carefully analyzed for cause and effect relationships, then a good evaluation design may be difficult to achieve. Sometimes a pilot study is needed to begin the identification of facts and relationships. Often a thorough literature search may be sufficient.

Evaluation requires both coordination and agreement among program decision makers (if known). Above all, the federal grantor agency’s requirements should be highlighted in the evaluation design. Also, federal grantor agencies may require specific evaluation techniques such as designated data formats (an existing information collection system) or they may offer financial inducements for voluntary participation in a national evaluation study. The applicant should ask specifically about these points. Also, consult the criteria for selecting proposals section of the catalog program description to determine the exact evaluation methods to be required for the program if funded.

Future Funding: Long-Term Project Planning

Describe a plan for continuation beyond the grant period, and/or the availability of other resources neces-



sary to implement the grant. Discuss maintenance and future program funding if program is for construction activity. Account for other needed expenditures if program includes purchase of equipment.

The Proposal Budget: Planning the Budget

Funding levels in grantor organizations and agency programs change yearly. It is useful to review the appropriations over the past several years to try to project future funding levels. However, it is safer to never anticipate that the income from the grant will be the sole support for the project. This consideration should be given to the overall budget requirements, and in particular, to budget line items most subject to inflationary pressures. Restraint is important in determining inflationary cost projections (avoid padding budget line items,) but attempt to anticipate possible future increases.

Some vulnerable budget areas are utilities, rental of buildings and equipment, food, telephones, insurance, and transportation. Budget adjustments are sometimes made after the grant award, but this can be a lengthy process. Be certain that implementation, continuation, and phase-down costs can be met. Consider costs associated with leases, evaluation systems, hard/soft match requirements, audits, development, implementation and maintenance of information and accounting systems, and other long-term financial commitments.

A well-prepared budget justifies all expenses and is consistent with the proposal narrative. Some areas in need of an evaluation for consistency are: (1) the salaries in the proposal in relation to those of the applicant orga-

nization should be similar; (2) if new staff persons are being hired, additional space and equipment should be considered, as necessary; (3) if the budget calls for an equipment purchase, it should be the type allowed by the grantor agency; (4) if additional space is required, the increase in insurance should be supported; (5) if an indirect cost rate applies to the proposal, the division between direct and indirect costs should not be in conflict, and the aggregate budget totals should refer directly to the approved formula; and (6) if matching costs are required, the contributions to the matching fund should be taken out of the budget unless otherwise specified in the application instructions.

If pursuing a grant from a federal agency, it is very important to become familiar with government guidelines for federal domestic assistance.

INTERACTION AND NETWORKING

Completing a grant proposal is a major step in the route to a grant from the federal government, a state government, a local government, or a private source. Interaction with these organizations and agencies may assist a fire and EMS department in their quest for grant funding, as well as help them identify when opportunities arise for grants and when the “timing is right” for grant proposals. Interaction and networking are key elements in marketing the agency, the grant proposal and finding identifying new funding sources.



State Fire and EMS Offices

Each state fire and/or EMS office is responsible for the direction of fire and EMS at the state level with requirements filtering down to the local level. Most state authority is supported by state legislation which enables the agency to carry out its responsibilities, establishes limits of authority, and provides some appropriations from state funds. The state office may be a separate authority or it may be housed within another state agency, such as the state health department or highway/transportation department. Functions of the state office include:

- Regulation of provision of fire protection and ambulance or medical transportation services
- Establishment of training standards for fire and EMS personnel
- Coordination of communication systems
- Disaster planning, response, and financial assistance
- Data collection
- System evaluation

It is important to understand the political authority and activities of the state fire and EMS offices in order to successfully participate in the system at the local level. Because most state EMS offices are within the state's public health system, authority and legislative initiatives should also take a public health or "preventive" approach.

When attempting to receive funding from state offices, it is essential to understand the laws and associated regulations that have an impact on particular areas

of the profession. To increase effectiveness when dealing with the state fire and EMS offices, agency leaders should know the answers to the following questions:

- What does the state fire and/or EMS office do?
- How are its activities authorized?
- Who is involved with implementation?
- What other statutes or regulations exist?

Other Associated Organizations

In addition to understanding the state's lead fire and EMS agencies, it is also important to be aware of other influential organizations. Lead agencies in every state exchange information and services with many other organizations, agencies, and support groups. One entity—and an integral part of the EMS system structure—is the state-level advisory board or council. Although considered to be advisory in nature, this board or council is usually politically strong, and its recommendations to the state EMS lead agency can significantly impact the direction of the EMS program. Again, effective preparation for influencing this agency involves researching the answers to important questions:

- When and where does the council meet?
- Who are the members?
- What EMS areas do they represent?
- How often are they appointed and by whom?

Other organizations that can affect change in the EMS arena are state affiliates of various EMS organizations, the state board of nursing, and the state medical society. Also, in addition to the state lead agency, there



are several related state agencies to consider in EMS initiatives. Each state's governor's office has an Office of Highway Safety, which has a parent agency at the national level, the National Highway and Traffic Safety Administration of the Department of Transportation (NHTSA/ DOT). This national office provides limited funding for EMS initiatives. Since the state office of highway safety represents the governor's office, it becomes a valuable link in the network chain, not only for financial purposes but also for its political support. Spin-off programs administered by this office include passenger restraints, motorcycle safety, alcohol and drug use, and impaired driving programs, all of which are related to improving emergency medical care. New program initiatives, legislation, and other activities should include the involvement of these offices from the beginning.

Influencing Public Officials/Decision Makers

The following steps serve as a guide when approaching or communicating with public officials and decision makers about a grant proposal.

Planning

- Research the process
- Determine the decision makers and individuals/groups with influence
- Study the decision makers and their stands/points of view
- Gather facts, figures, numbers to support position
- Anticipate concerns/arguments

Begin Before Help is Needed

- Attend functions
- Get to know them personally

Approach

- Make them want to do it!
- Present in decision maker's terms and best interests
- Approach the decision maker strategically & bring support
- Keep careful records
- Persevere

Follow-up

- Thank everyone
- Keep in touch—NURTURE YOUR NETWORK!



RESOURCES

United States Government Manual
OMB Circular Nos. A-87, A-102, A-110, and A-128, and
Executive Order 12372
Publications Office
Office of Administration
Room 2200, 725 Seventeenth Street, NW
Washington, D.C. 20503

Government Printing Office (GPO) Resources

The government documents identified above as available
from the GPO can be requested by writing to:
Superintendent of Documents
U.S. Government Printing Office
Washington, D.C. 20402

Regional and Federal Depository Libraries

Regional libraries can arrange for copies of Government
documents through an inter-library loan. All Federal De-
pository Libraries will receive copies of the Catalog di-
rectly. A list of depository and regional libraries is avail-
able by writing:
Chief, Library Division
Superintendent of Documents
Stop SLL
Washington, D.C. 20402

The Grantsmanship Center

The Grantsmanship Center is an institution well-versed
in grantsmanship training, proposal writing, and other
grants-related information. Persons wishing to obtain in-
formation should write:

The Grantsmanship Center
Department DD
P.O. Box 6210
Los Angeles, CA 90014



CHAPTER SIX

PRIVATE SOURCES FOR FUNDING

There are a wide variety of funds available from private non-profit and for-profit organizations. Usually these are one-time-only grants. Sometimes they extend for several years. Virtually none are for continual support of routine salaries or general operating expenses. However, they are excellent for starting new programs, doing special programs, buying equipment and other things that either free up money from more routine sources or to create programs or make purchases that cannot be funded from routine sources. Private organizations also may donate materials or services.

Another major source of private funds comes from donations from the general public through a wide variety of fund raisers and solicitations, mostly for funding volunteer departments. Career departments also are tapping this source by establishing foundations to receive donations where legally permitted.

The major sources of private funding are described below.

FOUNDATIONS

There are more than 25,000 foundations in the United States. Many of them solicit donations specifically for supporting health, education, and volunteer activities. Others have large endorsements earmarked for a few narrowly-defined activities, yet others have very broad charters.

Foundations exist to give away money for charitable, educational, and other public service activities. They are generally governed by a board of directors or trustees

who oversee the financial operations of their funds, and who decide how the foundation's money will be used.

Departments interested in obtaining grants from private foundations are advised to visit or contact The Foundation Center. The Center maintains collections of information on grants and charitable giving at Foundation Center Libraries located in San Francisco, Cleveland, New York City, and Washington, D.C. Additionally, several other "cooperating collections" have a core collection of the Center's materials as well as staff trained to assist grant seekers.

A foundation directory is available in many public libraries. The Foundation Center also publishes a pamphlet entitled "Fundraising and Non-Profit Development Publication and Services," which lists the various publications available on foundations and other non-profit sources.

Large Foundations

Billions of dollars are spent annually by large foundations on public service projects throughout the United States. With the growth of emergency medical services, rescue services and other special services, the opportunities for fire and rescue departments to tap into this funding have been expanding rapidly.

Contact:

Foundation Center Library
Services
79 Fifth Avenue
New York, New York 10003-3076
(212) 620-4230
(800) 424-9836
www.fdncenter.org



Large national foundations have the financial resources to provide generous grants, but the selection process is very competitive. Their interests and application requirements are often well developed and available to the public through annual reports or brochures. Large foundations tend to seek projects which may have a far reaching impact. Most of these foundations have paid staff members who review proposals and monitor programs.

While the size of these foundations may seem imposing, a well-developed plan may bring a large pay-back for those dedicated enough to take on such a project. In forming ideas, one should keep in mind the goals of the project and attempt to find foundations with similar goals. Ideas that solve a problem, serve an at-risk population group or community, and that could be evaluated and copied in other communities would have the best chance of gaining large foundation support. When researching foundations, make sure your project fits into their general funding pattern in terms of the size of the grant you are seeking, the geographical location of the project, the type of support you need, and the type of recipient for the financing.

Table 6-1 shows a sampling of foundations that have provided funds for fire and emergency medical service related projects in the recent past.

Local Foundations /Community Service Clubs

Smaller local foundations and community service clubs may be more oriented towards community concerns such as local fire protection, EMS, and rescue than are

the large foundations. Grants are usually smaller, but are more likely to be awarded for general budget support. Often these foundations are concerned with the needs of a particular city, county, region, or state. Foundations exist for projects helping Indianapolis and New York City, for example. Community foundations may or may not be named after the community they serve, but all publish annual reports detailing their financing and grants. When researching foundations that serve your area, make sure that the grants are of the size you need, are the type of support you want, and are not restricted toward particular organizations. Personal contact with foundation board members or trustees is very helpful; some may reside within your district.

Proposals for local foundation support should be based upon a well-defined local need. A narrowly focused project is more likely to get funded by a small foundation than a broad project whose benefits are hard to evaluate. If you are attempting to solve a local problem, look for a local foundation or service club. If you are attempting to solve a problem of statewide or national importance, then look for a foundation with a statewide or national focus.

For all types of foundations and service clubs, be aggressive. Find out who the “right” people are and follow-up all mailed-in proposals with telephone calls or personal contact. Network within your community, in country clubs, citizen associations, service clubs and places of worship to find out if any members of your community may be able to help your organization make contacts.



Table 6.1 Sampling of Foundations That Provided Funds to Fire/EMS Causes	
NAME AND CONTACT INFORMATION FOR FOUNDATION	SERVICES SUPPORTED BY FOUNDATION/ RECENT GRANTS
<p>ABELL-HANGER FOUNDATION PO Box 430 Midland, TX 79702 (915) 684-6655 FAX (915) 684-4474 www.basinlink.com/us/AHFdtn/main.htm</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>\$162,000 to fire and EMS departments in Texas.</p>
<p>ABBOT LABORATORIES/ABBOTT LABORATORIES FUND 1 Abbott Park Road D379/AP6C Abbott Park, IL 60064-3500 (847) 937-8686 FAX (847) 938-5824 www.abbott.com</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>EMS and fire departments listed as potential recipients.</p>
<p>AIR PRODUCTS AND CHEMICALS, INC./ AIR PRODUCTS FOUNDATION 7201 Hamilton Blvd. Allentown, PA 18195-1501 (610) 481-6349 FAX (610) 481-6642 www.airproducts.com</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>\$15,000 to Pennsylvania fire departments and ambulance corps.</p>
<p>AKZO NOBEL/AKZO AMERICA FOUNDATION 300 S. Riverside Plaza Chicago, IL 60606 (312) 906-7007</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>\$4000 to volunteer fire departments.</p>
<p>ALFIERO FAMILY CHARITABLE FOUNDATION PO Box 810 Amherst, NY 14226 (716) 689-4972</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>\$3,000 to EMS agencies in New York.</p>



Table 6.1 Sampling of Foundations That Provided Funds to Fire/EMS Causes (Cont.)	
NAME AND CONTACT INFORMATION FOR FOUNDATION	SERVICES SUPPORTED BY FOUNDATION/ RECENT GRANTS
<p>ALLYN FOUNDATION 33 Onondaga Street Skaneateles, NY 13152 (315) 685-3068</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>\$2,500 to a fire department in New York.</p>
<p>ANDERSEN CORPORATION/BAYPORT FOUNDATION PO Box 204 Bayport, MN 55003-0204 (612) 430-7395 FAX (612) 430-7419</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>\$10,000 to EMS agencies in Minnesota.</p>
<p>AMINI FOUNDATION 8000 IH-10 W, Suite 820 San Antonio, TX 78230 (210) 349-1600</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>\$53,000 to EMS agencies in Texas.</p>
<p>HUGH J. ANDERSON FOUNDATION c/o Scenic River, Inc. PO Box 204 Bayport, MN 55003-1498 (612) 439-1557 FAX (612) 439-9480</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>\$34,000 to fire departments in Minnesota.</p>
<p>ARNHOLD FOUNDATION 19 Rector Street, Suite 2400 New York, NY 10006 (212) 269-8628</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>\$2,500 to fire departments in Connecticut.</p>
<p>CAMP FOUNDATION PO Box 813 Franklin, VA 23851 (804) 562-3439</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>\$5,000 to rescue squad in Virginia.</p>



Table 6.1 Sampling of Foundations That Provided Funds to Fire/EMS Causes (Cont.)	
NAME AND CONTACT INFORMATION FOR FOUNDATION	SERVICES SUPPORTED BY FOUNDATION/ RECENT GRANTS
E. RHODES AND LEONA B. CARPENTER FOUNDATION PO Box 58880 Philadelphia, PA 19102-8880 (215) 963-5212	Health care agencies in general, including emergency/ambulance services. \$31,549 to EMS agency in North Carolina.
JOHN AND MILDRED CAUTHORN CHARITABLE TRUST PO Box 586 Sonora, TX 76950 (915) 387-2711	Health care agencies in general, including emergency/ambulance services. \$3,145 to company in Texas for emergency medical project.
CHAMPLIN FOUNDATIONS 300 Centerville Road, 300S Warwick, RI 02886-0203	Health care agencies in general, including emergency/ambulance services. \$62,807 to volunteer fire and EMS depart- ments in Rhode Island.
BARD FOUNDATION 730 Central Avenue Murray Hill, NJ 07974 (908) 277-8182 FAX (908) 277-8098	Health care agencies in general, including emergency/ambulance services. \$7,500 to fire departments in New Jersey.
BARDEN FOUNDATION INC. 1146 Barnum Bridgeport, CT 06610 (203) 336-0121 FAX (203) 336-1774	Health care agencies in general, including emergency/ambulance services. \$2,000 to volunteer EMS agencies in Connecticut.
CORDELIA LUNCEFORD BEATTY TRUST PO Box 514 Blackwell, OK 74631 (405) 363-3684	Health care agencies in general, including emergency/ambulance services. \$300 for firefighters' association in Okla- homa.



Table 6.1 Sampling of Foundations That Provided Funds to Fire/EMS Causes (Cont.)	
NAME AND CONTACT INFORMATION FOR FOUNDATION	SERVICES SUPPORTED BY FOUNDATION/ RECENT GRANTS
BETHESDA FOUNDATION PO Box 296 Hornell, NY 14843 (607) 324-1616	Health care agencies in general, including emergency/ambulance services. \$12,297 to fire and EMS departments in New York.
BETZ FOUNDATION c/o Betz Laboratories, Inc. 200 Witmer Road Horsham, PA 19044 (215) 773-6453 FAX (215) 674-8467	Health care agencies in general, including emergency/ambulance services. \$10,000 to fire department in Pennsylvania.
MARTIN BLACKLEDGE TRUST c/o Peoples National Bank 119 S. Middle Street Grayville, IL 62844-1679 (618) 375-2261	Health care agencies in general, including emergency/ambulance services. \$5,812 to two EMS departments in Illinois.
J. BOWMAN PROPER CHARITABLE TRUST PO Box 374 Oil City, PA 16301 (412) 677-5085	Health care agencies in general, including emergency/ambulance services. \$1,000 to EMS department in Pennsylvania.
CONSOL COAL GROUP GIVING PROGRAM 1800 Washington Road Pittsburgh, PA 15241 (412) 831-4060	Health care agencies in general, including emergency/ambulance services. Geographic focus: Illinois, Kentucky, Maryland, Ohio, Pennsylvania, Virginia and West Virginia.
SAUL FROMKES FOUNDATION, INC. c/o Richenthal, Abrans & Moss 122 E. 42nd Street, Room 4400 New York, NY 10168 (212) 447-8360	Health care agencies in general, including emergency/ambulance services. \$35,000 to two fire and EMS departments in New Jersey.



Table 6.1 Sampling of Foundations That Provided Funds to Fire/EMS Causes (Cont.)	
NAME AND CONTACT INFORMATION FOR FOUNDATION	SERVICES SUPPORTED BY FOUNDATION/ RECENT GRANTS
<p>HARTFORD FINANCIAL SERVICES GROUP, INC. CORPORATE GIVING PROGRAM Hartford Plaza 690 Asylum Avenue Hartford, CT 06115 (860) 547-5000 FAX (860) 547-3799 www.thehartford.com/index.html</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>Corporate giving program.</p> <p>Giving primarily in area of company operations, especially greater Hartford, Connecticut, area.</p>
<p>MARY HEATH FOUNDATION PO Box 10 Oblong, IL 62449 (618) 592-4241</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>EMS and fire departments listed as potential recipients.</p> <p>Giving limited to Illinois departments.</p>
<p>HOBBY FAMILY FOUNDATION 2131 San Felipe Houston, TX (713) 521-3377</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>EMS and fire departments listed as potential recipients.</p> <p>Giving primarily in Texas.</p>
<p>IOWA WEST FOUNDATION 500 W. Broadway, Suite 100 Council Bluffs, IA 51503 (712) 325-3132</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>EMS and fire departments listed as potential recipients.</p> <p>Giving primarily in Iowa and Nebraska.</p>
<p>MASSACHUSETTS CHARITABLE FIRE SOCIETY c/o J.M. Forbes and Company Boston, MA 02109 (617) 423-5705</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>EMS and fire departments listed as potential recipients.</p>



Table 6.1 Sampling of Foundations That Provided Funds to Fire/EMS Causes (Cont.)	
NAME AND CONTACT INFORMATION FOR FOUNDATION	SERVICES SUPPORTED BY FOUNDATION/ RECENT GRANTS
<p>JAMES A. MEADOR TRUST 305 Boulevard Salem, VA 24153</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>EMS and fire departments listed as potential recipients.</p> <p>Giving primarily in Virginia</p>
<p>THE MEDICAL FOUNDATION OF CINCINNATI 320 Broadway Cincinnati, OH 45202 (513) 421-7010 academy@fuse.net</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>EMS and fire departments listed as potential recipients.</p> <p>Giving primarily in the Cincinnati area.</p>
<p>MILFORD HOSPITAL ASSOCIATION 170 Indianhill Road PO Box 1303 West Chatham, MA 02669 (508) 945-2566</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>EMS and fire departments listed as potential recipients.</p> <p>Giving limited to New Hampshire.</p>
<p>MINNESOTA MINING AND MANUFACTURING COMPANY (aka 3M Contributions Program) 3M Center Building 591-30-02 St. Paul, MN 55144-1000 (651) 733-0144 FAX (612) 737-3061</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>EMS and fire departments listed as potential recipients.</p> <p>Almost \$8 million in grants.</p> <p>Giving limited to communities in which 3M manufacturing, sales and service activities exist.</p>



Table 6.1 Sampling of Foundations That Provided Funds to Fire/EMS Causes (Cont.)	
NAME AND CONTACT INFORMATION FOR FOUNDATION	SERVICES SUPPORTED BY FOUNDATION/ RECENT GRANTS
<p>NATHAN FOUNDATION, INC. c/o Mercantile-Safe Deposit & Trust Company 2 Hopkins Plaza Baltimore, MD 21201 (410) 237-5335</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>Corporate giving program.</p> <p>Giving limited to Dorchester and Cambridge Counties in Maryland.</p>
<p>NEWSTEAD FOUNDATION c/o Grant Thorton, LLP 7 Hanover Square New York, NY 10004</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>EMS and fire departments listed as potential recipients.</p> <p>Giving limited to Illinois departments.</p>
<p>RICHARDSON FOUNDATION c/o Fred G. Richardson 10378 Saint Andrews Road Boynton Beach, FL 33436-4422</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>EMS and fire departments listed as potential recipients.</p>
<p>SOUTH TEXAS CHARITABLE FOUNDATION PO Box 2549 Victoria, TX 77902 (512) 573-4383</p>	<p>Health care agencies in general, including emergency/ambulance services.</p> <p>\$15,000 to fire department in Texas.</p>



Never underestimate the importance of personal contact. Seek out key individuals, especially in smaller, local foundations and service clubs like the Rotary, Elks, Kiwanis, etc., which may rely upon personal knowledge of the applicant organization to judge its credibility and capability.

Chautauqua County, New York, has received funding from local private foundations for a rescue truck chassis. Service clubs such as the Elks, Moose, and American Legion have donated money for two air compressors to refill SCBA.

CORPORATE DONATIONS

Private corporations are sources for grants, in-kind services, and various types of co-developments and partnerships. While many of the organizations are similar to foundations, there are a few distinct differences.

Many municipal fire departments are not allowed to accept cash donations from businesses. Some departments, such as New York City, have set up foundations that can accept the money and buy goods or services that can be given to the fire department. In other cases, such as Hartford, Connecticut, the city council has had to pass a resolution allowing acceptance of a particular grant.

Cash Donations

Corporate donations to fire departments and EMS squads have been used to fund many diverse projects, from purchasing apparatus to starting fire education programs. Many large corporations such as IBM, AT&T,

McDonald's, insurance companies, and many others have given grants from their corporate foundations or direct from corporate monies. Sometimes large grants are given by lesser-known corporations. For example, the Quantum Chemical Corporation has established a generous record of giving for special projects in emergency medical service, with more than \$600,000 donated to EMS since 1989, and \$2 million to purchase television advertising for the recruitment and retention of volunteers for emergency medical services. The Virginia Farm Bureau Mutual Insurance Company has a Dry Hydrant Grant Program that gives funds to needy fire departments.

Most corporate donations are spent on local community groups near corporate facilities, or related to corporate programs. Look for large corporations with headquarters, branches or outlets in your community. Some to consider are fast food restaurants, gasoline stations, factories, and independent insurance agents. Approach the corporation as you would approach a foundation, keeping an emphasis on personal contact. Ask local companies to put you in contact with their national or international offices.

Corporations gain public exposure as well as tax benefits from donations. You may wish to display a company logo on some of your equipment, or in some of your fire prevention or safety brochures.

When approaching corporations, it is helpful to provide a description of the potential benefits to the corporation; i.e., positive publicity, increased corporate safety, increased awareness of the company's products or services).



Many corporations have programs to match donations made by their employees. Find out whether large firms which operate in your area have such programs. If they do, target their employees for contributions and explain to them that their personal donations will be matched by their employer (sometimes on as much as a three-to-one basis). In this manner, local employees will feel they are supporting a local service, but they will effectively be making a much larger contribution than they otherwise would be able to make.

A fairly common use of corporate donations is to fund fire prevention projects or equipment. The Kalamazoo, Michigan, area fire marshal's office completed a Fire Prevention Education Trailer to help give hands-on education to children in the community. A 42-foot trailer was donated by Tecon Trucking and the Breakfast Optimist Club of Kalamazoo, and lumber was donated by a local lumber yard. Other supplies were donated by various other local businesses. Six fire departments pooled resources for additional equipment and personnel to build the trailer, for a total combined amount of \$40,000.

Kalamazoo also has drawn from multiple donors to fund a comprehensive fire education program for children and parents. Funding sources include corporate sponsorship, private donations, and shared resources among different departments. McDonald's Restaurants donates over \$2,400 a year and provides "Ronald McDonald" for many of the events. Grants also were received from the Department of Commerce (\$10,000), Bronson Hospital (\$4,000), and other local organizations. This program was developed after several children were killed in a struc-

ture fire in 1986 in Kalamazoo.

Some fire and EMS departments have created a grants coordination unit focused entirely on applying for corporate, foundation, and government grants.

In-kind Services and Equipment

Private companies of all sizes are often willing to donate in-kind services to support public safety projects, particularly if a tax deduction can be obtained. Examples of in-kind services are reproduction of prevention pamphlets and printing of public service messages on grocery bags. Media production companies may be willing to donate services to produce public service announcements for radio or TV. Companies often also donate used vehicles for canteens or utility trucks. Charlottesville, Virginia, for example, received from the local power utility a second-hand truck that was refurbished to carry the department's high-volume smoke removal system.

Hardees Restaurant and the Memphis Fire Department have developed a relationship over the past few years which has benefitted both organizations. The company provides a cargo van that responds to all two-alarm fires and other major incidents. The van is staffed with volunteers from the restaurant, and provides food and beverages for firefighter rehabilitation. A large Hardees logo is painted on the side of the van. The Hardees van has received a very positive response from the Memphis firefighters and the community.



PRIVATE/PUBLIC PARTNERSHIPS

There are a growing number of opportunities for fire departments to work with businesses for mutual benefit. Shared use of resources, co-development of property, and joint research and development projects are some of the main forms of partnership.

Co-Development

The land where fire stations are currently situated may be extremely valuable for private sector development. Some fire departments (such as New York City and Boston) have been successful in trading such sites for new fire stations incorporated within major complexes built by private developers. A variation is for the developers to provide land and sometimes a station for new development projects that are far from other stations, as part of negotiations on mitigating impacts of development.

The City of Boston had an example of an offer “they could not refuse.” Developers had their eyes on creating a downtown office complex in the heart of the city’s financial district. In their way was Boston Fire Department’s old Engine 10, occupying a key piece of land among the city’s high-rise office buildings. In exchange for the station property, the developers agreed to build a new \$4 million flagship headquarters station on the first two floors of a new high-rise building in the complex. The new station now houses Engine Company 10, Rescue Company 1, a tower unit, a hazardous materials unit, and a Deputy Chief. Prime parking in Boston’s financial district being competitive and expensive, thirty

parking lot spaces have been reserved for the fire department in the building’s garage.

Pleased with the results of the co-development of their flagship fire station, the Boston Fire Department accepted another offer, to abandon their fire boat pier space so that a developer could build a new waterfront condominium development. In return, the developer provided a new space to dock the fireboat and a new first floor condo as quarters for the fire boat personnel.

As a result of these successful projects, the City of Boston has been looking to expand its development projects with the private sector.

In other cities, land or even an entire fire station has been required to be part of the design of a new community or new complex by the city zoning and planning officials even where no fire station or EMS unit existed before, just as public park space or schools are negotiated into new development. Fire departments, working closely with plan reviewers, can suggest these quid pro quos to the city planners and zoners or other appropriate agencies.

Shared Resources

Expensive resources may be shared with private fire brigades as well as with other jurisdictions. And vice versa, some private companies have their own fire brigade and apparatus that can be shared with or loaned to local departments, or used in place of public fire units. For example, most petrochemical refineries have foam trucks, and may be willing to respond to a small number



of calls to areas outside their gates. Many companies with hazardous materials store foam or other supplies that the fire department can use in lieu of buying the same with public resources for a limited application.

Another variation of shared resources is where a private company purchases equipment for its local public fire department with the understanding that the equipment will be staffed and used for fires in the private company but can also be used elsewhere. For example, a corporation based in Point Pleasant, Kentucky purchased a mobile high-volume, positive pressure air movement system for the local fire department in lieu of having to build in an expensive exhaust system for its large warehouse facility.

In Tempe, Arizona, the City of Tempe and a private utility company, Arizona Public Service, combined to build a \$1.7 million training academy for use by both the City's and the utility company's personnel. The development of a combined training center took four years. The utility company provided eight acres of land at one of its power plants for the facility, saving the citizens of Tempe about \$1 million dollars. The new training center is equipped with live fire training, a maze, technical rescue training areas, and extensive electrical/industrial fire training areas.

Shared R&D

Many fire departments have helped manufacturers develop and test new products. Not only is this educational, but the fire department often gets to keep the prototype, or gets a supply of the new product at no cost.

Types of testing have ranged from foam additives to entire apparatus and protective outfits.





CHAPTER SEVEN

MISCELLANEOUS FUNDRAISING IDEAS

There are literally hundreds of fundraising ideas being used by fire and emergency service agencies across the country. Many volunteer or partially volunteer agencies use special fundraising programs to pay for vehicles, equipment and even their general operating costs. Funding sources range from traditional yearly door-to-door fund drives to bake sales, casino nights, bingo and sports events.

OVERVIEW OF APPROACHES

In addition to using many of the sources described earlier, fire and emergency services agencies have raised funds from:

- Food sales (including open-grills, formal dinners, bake sales, pancake breakfasts and barbecues)
- Entertainment events (such as dances, amusement park outings, carnivals, rodeos)
- Sports events (including turkey shoots, donkey baseball, softball, fishing, golf)
- Gambling (where legal, including casino nights, bingo, horse races)
- Raffles
- Door-to-door solicitation
- Direct mail solicitation
- Public service announcements soliciting funds
- Selling space in annual reports
- Donations of services or money from industry
- Sale of honorary memberships
- Training and community education
- Sales of goods (such as logo-embossed clothing, calendars, antiques, beverage insulators)
- Sales of services (car washes, pet baths)

- Shared profits with private vendors of commercial services (such as photographs) or commercial goods
- Water meter bills (discussed later in the section)

Volunteer departments may have an advantage in being able to raise money with fewer restrictions than career departments encounter. Donations to the volunteers are usually tax-deductible. (Some career departments, such as New York City, have set up foundations to receive tax-free donations for special purposes.) However, volunteer companies should be aware that they are still regarded as a public service entity and may be held accountable for the methods they use to raise funds, and how the money is spent. Volunteer companies must abide by state and local ordinances, which may vary considerably across the nation. For example, bingo may be legal in one district and illegal in the next, and jurisdictions may have different rules about financial disclosure.

All fire and emergency service agencies should carefully consider the costs versus the benefits of taking on new funding projects. Year-round bingo, for example, may be highly time consuming for members and “burn them out,” whereas an annual fund drive may be easier to take on as an agency project.

The clarity and content of the fund-raising message to the public must also be given careful thought. Will the money be earmarked for a tangible project, such as a new ambulance, engine or fire station, or will the money be going toward operating expenses that are harder for the public to visualize, such as electric bills or administrative fees? It may be easier to raise money towards a specific project, like an engine, which the public more



readily perceives as having a direct effect on its community's safety.

Fire and emergency service agencies should tailor their funding methods to their community's characteristics. Would a small community respond best to door-to-door efforts? Would a larger, more affluent community best be reached through a mail drive? Are the local citizens most likely to attend regular bingo nights, an annual fair or an annual antique sale?

Departments should consider the local media to assist in the fundraising effort. They may be able to assist agencies with flyers, newspaper articles, newspaper advertisements, radio spots and cable television advertisements. To get the word out, agencies may want to consider presentations to local civic and religious organizations to solicit on behalf of the fire and emergency service organization. Also, carefully consider the timing of fundraising efforts. If a department has a tax-exempt status, it may wish to reach out just before the year ends to allow customer to make tax-deductible donations before the tax year concludes. Be careful not to constantly bombard the community or they could get the impression that the fire and emergency service agency is only in business for the money.

There are many community resources that fire and EMS agencies can use to assist them in their fundraising programs. For example, local business may be willing to advertise promotional messages for fundraising campaigns. Schools may be willing to let departments send flyers home with children. Local celebrities may be willing to endorse the efforts as well.

The City of Virginia Beach is a combination department with 11 volunteer rescue squads which collectively make up one of the largest all-volunteer EMS organizations in the United States. The 11 squads do their own fundraising and maintain independent administrations. The training and operations are maintained by the City's Department of Emergency Medical Services. The City pays for station overhead costs such as electricity, fuel and insurance through tax funds. The volunteer corporations make up the remaining costs through twice-a-year direct mail fund drives, mini-grants from the state Rescue Squad Assistance Fund, and a city-supported government "United Way"-type program which brings in about \$10,000 per year. The department also receives excellent media support through public service advertising, including a TV spot and three full newspaper ads.

Contact:
 City of Virginia Beach
 Department of EMS
 1917 Artic Avenue
 Virginia Beach, Virginia 23451
 (804) 437-4850
 FAX (804) 425-7864

The sections below expand on some miscellaneous fundraising techniques mentioned earlier, especially where there is a novel twist or emerging trend.

WATER METER CHARGES

Some fire and emergency service departments raise revenues through charges or donation requests that are directly attached to utility bills. These charges are not taxes because the resident has the option of deducting the



charge from the monthly bill.

In Spur, Texas, the volunteer fire department raises funds through a water meter charge, or mandatory

“donation,” of \$2 or \$5, depending upon whether a home or business is receiving the bill. The charge must be approved by the local voters thorough a referendum, since it is like a tax.

Contact:

City Secretary
City of Spur
402 N. Burlington
Spur, Texas 79370
(806) 271-3316

Cyprus Creek, Texas, EMS in suburban Houston has a different approach to collecting donations using water meter bills. Local water districts (called MUDs or Municipal Utility Districts) add a fee of \$3 to \$4 to each water bill as a “donation” for EMS service. All charges and fees on the water bill are itemized and then totaled to include the EMS donation. Customers who do not wish to make a donation may deduct the amount for EMS from the total. The idea of using water bills to collect donations was selected over user fees as a preferred method of raising funds.

The original household assessment for each municipal utility district was determined by setting the suggested minimum donation at \$.50 per month per household for the homes with the lowest value or lowest gross income. Areas with higher property values or household incomes were assessed \$1 per month per household, and \$1.50 in the area with the highest property values and incomes. Rates have been adjusted periodically to keep

pace with inflation and increased demand for service.

This funding mechanism currently generates about \$2 million annually for Cyprus Creek. In addition to the cash donations, Cyprus Creek has received substantial in-kind donations such as personal computers from Compaq Corporation, which is based in it’s district, and a new ambulance valued at \$60,000 from a local women’s group. One of its stations is located on land bequeathed by an area resident.

Although the current funding system has held Cypress Creek EMS in good financial standing, anticipated demands for training and equipment are forcing system administrators to consider other funding sources to fill future needs. One of the alternatives under consideration is third-party insurance billing.

Cyprus Creek EMS operates 8 mobile intensive care (ALS) ambulances from five stations. The units are staffed by 192 personnel, 17 of whom are paid paramedics. Cyprus Creek’s innovative and aggressive approach to funding has permitted it to remain one of the most progressive and respected EMS systems in the country.

DIRECT MAIL

Direct mail fundraising has proven to be one of the most effective means of raising money for fire departments and EMS agencies. With increasing demands on fire and EMS personnel for emergency responses, additional and mandatory training and ever increasing administrative responsibilities, many departments simply do not have the time to send their personnel on the tradi-



tional door-to-door fundraising campaigns of the past.

Direct mailing costs include printing a letter and self-addressed envelope for each household and business. Departments can register as a tax-exempt organization with the U.S. Post Office and take advantage of reduced mailing rates. Coordination with local media (community newspapers, radio and television stations) can help alert the public to the fundraising campaign. Some campaigns solicit general support and some target funding for a new piece of apparatus, a building fund, defibrillators or some specific need. Market research may help in designing the message.

Some departments hire outside agencies to help with direct mail fundraising. Outside companies can provide technical support and expertise. This may include preparations of documents, mailing lists, and statistical information on the types of information that work best for the demographics in your area. Most importantly, an outside agency greatly reduces the amount of time placed on volunteer members. This alone may be worth the cost of hiring an agency. The money invested in fundraising professionals can be offset by increased revenues.

A detailed analysis of the responses by geographic area is useful after a first fund drive is completed. One can divide the district by ZIP codes, postal carrier routes, streets, types of residences or size of donations. This would show where the fundraising efforts were most successful and where they failed, so that the next fund drive may be altered to build on the strong areas and work on the weak areas. Some agencies send a second, and even third, mailing to addresses that failed to respond to the first

mailing. Many departments are able to make between 20 and 30 percent of their total revenue from these follow-up mailings.

The Hackettstown Rescue Squad in New Jersey has been raising funds by traditional door-to-door efforts since it was founded in the 1950's. During their best year they raised \$22,000. Several years ago the department started contracting with a private company that specialized in direct mail fundraising for fire departments. Costs for the mailing were about \$3000, and some members were skeptical about the new technique – until the checks came in. That first year, Hackettstown raised over \$42,000 from their direct mail efforts.

A standard letter requesting funds was sent to all homes and businesses. A second mailing went to addresses that had failed to respond to the first letter. The second mailing raised over \$10,000. The following year, under the advice of their direct mail company, Hackettstown switched to separate letters targeted for businesses and homes. Revenues have remained steady at around \$40,000 a year. Hackettstown's total budget is just under \$100,000 a year, made up from their direct mail campaign, a \$30,000 yearly donation from their township and other funding activities. They respond to 800-1000 emergency calls each year. The major problems encountered by their fundraising efforts have been at the Post Of-

Contact:

Hackettstown Rescue Squad
PO Box 201
Hackettstown, New Jersey 07840
(908) 852-3130



fice, where bulk mailings are often delayed because of their fourth-class nature. This has led to a slower dispersal of letters throughout the squad’s district, causing some coordination problems in advertising their campaign.

The Chestnut Ridge, Maryland, Volunteer Fire Department has used direct mail campaigns for over twenty years. They have hired a private company to assist in the campaign for over twenty years. Their community is made up of high-income, upwardly mobile professionals, and like many communities, has been making the transition for a rural to a suburban district. Because of the demographics of their area, direct mail has been the most efficient way to raise funds. Chestnut Ridge has found that the key to success is in a good mailing list and a message that is of real concern to the public. Rather than send out general flyers, they attempt to make their community aware of specific problems that must be overcome to provide fire protection. Chestnut Ridge raises

an average of \$50,000 a year through their direct mail campaign. They send the mailing at the same time every year. Sometimes, in support of the campaign, they post political campaign style posters around their community advertising the same message they have used in their

fundraising letters.

The Bethesda/Chevy Chase, Maryland, Rescue Squad conducts an annual door-to-door fundraising drive combined with a mail solicitation campaign that raises the huge sum of \$600,000 per year. They have their own career personnel as well as numerous volunteers and a large, modern rescue vehicle fleet.

Contact:

President
Bethesda-Chevy Chase
Rescue Squad
5020 Battery Lane
Bethesda, Maryland 20814-2699
(301) 652-1000
FAX (301) 656-6523
www.bccrs.org

Donations of services or goods can also be pursued through a direct mail fundraising campaign. There may be businesses in the area who are willing to give a donation of the product or service they provide instead of a monetary donation to the fire or emergency service department. For example, some restaurants may be willing to provide refreshments for the department’s next training event, or a local merchants may donate gift certificates that company leaders can use to award members for service or special achievements. Larger local businesses may also be willing to do an internal fundraising effort or event for the department.

CASINO NIGHTS

Casino-style gambling involves selling chips or tickets used to make wagers in roulette, blackjack, craps and other forms of gambling found in Las Vegas or Atlantic City casinos. The local fire or emergency service

Contact:

Chestnut Ridge Volunteer
Fire Department
12020 Green Spring Avenue
Owings Mills, Maryland 21117
(410) 252-9734

OCS, Omni Computer
Services (Direct Mail Comp.)
1319 Lee Lane
Eldersburg, Maryland 21784
(800) 877-4627
FAX (410) 795-7261
ocsinc@ocsmail.com
www.ocsmail.com



department plays the role of the house, and earns money by paying odds that do not return all of the bettors' money in the long-run, and/or by taking part of the pot. They may also charge an admission and run concessions.

Departments may look at gambling as the solution to their funding problems, but need to be cautious in proceeding with such a program. The major downside of gambling is that it can lead to a tarnished image and the possibility of charges of corruption and embezzlement if not carefully managed and policed. Social and legal barriers to gambling in the community also may need to be overcome. Department personnel should be ready to devote a large amount of time to the effort involved in starting and running a casino operation; this type of fund-raising often becomes a business unto itself. Also, the future for volunteer casino gambling is in some doubt as the IRS and other federal agencies are considering various aspects of it. One fire department was slapped with a \$600,000 penalty by the IRS. Casino gambling must be approached carefully and with the advice of the attorneys and accountants.

COMMUNITY TRAINING AND EDUCATION

Many fire and emergency service agencies offer training to the citizens they serve on CPR, first aid and fire safety. Often times, these programs can be expensive to the agency. Many fire and emergency service departments are now charging fees for the public to attend these classes. The fees are intended to cover the costs associated with the delivery of the class (books, refreshments, use of specialized equipment, etc.)

Some organizations are separating their education budgets from their operating budget to track the income that the program is making versus the expenses. If managed properly, a fire and emergency service department can make enough revenue for an education program to make it self supporting, in other words, the program requires no additional funds from the operating budget. This allows the fire and emergency service agency to continue to provide critical public education programs even in times of tight budgets. Also, through careful planning and budgeting, the program fees can be very reasonable, and not be cost prohibitive for the general public. Charging fees for these classes can save a department's education program from going under due to budget constraints.

SPECIAL EVENTS

Many volunteer fire departments have successfully raised funds through annual special events, which also can be the cornerstone of an annual fund drive. The events often require large amounts of preparation and effort on behalf of department members, but the results may be worthwhile financially and be enjoyable for the department members and the citizens who participate. One of the most famous special volunteer firefighter events is the annual auctioning of wild ponies in Chincoteague, Virginia, for the benefit of the local volunteer fire department. The ponies are rounded up and then herded in a swim to the mainland where they are auctioned off to raise funds for the volunteer department.

The St. George Island, Florida, Volunteer Fire Department has an annual chili cook-off. From a modest start in 1983, the cook-off grew into an annual event which



has helped raise \$40,000. The department has used revenues from the cook-off to purchase apparatus and to train and outfit its volunteers. Fire insurance premiums in the area have been lowered due to the increased level of service the department is now able to provide. This event helped the community to be named “Florida Outstanding Rural Community of the Year” by the Florida Department of Commerce.

A mainstay for many fire departments is an annual carnival and parade, usually held during the summer. The department usually provides the land to hold the traveling carnival, and arrangements are made to split the proceeds. Often other fund-raising events such as raffles are held in coordination with the carnival. Such annual events are also excellent for bringing fire prevention messages to the community and for recruiting new members. The Urbana, Maryland Volunteer Fire Department holds a week-long carnival each summer that grosses about \$50,000 and nets about \$32,000. It is a highly labor intensive affair, as the department is responsible for all the concession stands and booths at the fair. A committee works year-round arranging the logistics of the event.

Many special fund-raising events involve sports. Each year, the Deltaville Volunteer Fire Department in Virginia takes advantage of the nearby waters of the Chesapeake Bay to sponsor an annual Bluefish Tournament. Entry fees of \$135 are charged per boat, with a limit of 350 boats; large cash prizes are handed out, and the event is sponsored by the Anheuser-Busch Brewing Company. Other fund-raising events take place during the weekend to augment the revenues from the tournament.

The department nets approximately \$20,000 - \$30,000 each May, depending upon the weather and the fish. The event has become so popular that the number of boats allowed to enter had to be cut back because of safety on the waterways.

Another fund-raising sport is the turkey shoot. One department in Alabama has about a dozen contestants take one shot for a prize, at \$2 to \$3 per shot. The shooter with the best score wins the prize, which may be a ham or turkey. The charge per shot varies with the value of the prize. *Field and Stream Magazine* has been involved in promoting some of these contests in the past.

Many departments hold softball or whiffle ball tournaments and charge registration fees for teams, as well as operating concession stands. Some departments hold “donkey” softball or “donkey” basketball tournaments, where the players ride donkeys, making for an amusing spectacle. Other sporting events that may be done for fundraisers include softball tournaments (police versus fire, fire department versus fire department, etc.) and basketball competitions. Some fire and emergency service departments have sponsored EMT skill contests or extrication contests as fundraisers as well.

Many departments sponsor golf tournaments to raise funds. These events often have cash prizes and special contests such as driving or putting competitions. Money is raised from selling sponsorships for the tournament, for individual holes, and through entry fees for contestants.

Annual barbecues are also popular ways to raise



funds and develop good relations with the surrounding community. They can often be combined with other fund-raising events. The Edinburg, Texas, Fire Department's annual barbecue is attended by 4,000-5,000 guests. Some departments charge a flat rate, such as \$10 a head. Discounts are often offered to children and special groups.

Some local businesses may be able to assist in fund-raising efforts. McDonald's Restaurants have a program where \$2 tickets for pancake breakfasts are sold by volunteer groups. \$1 goes to the volunteer group for every ticket sold.

SALES OF PRODUCTS AND SERVICES

Many organizations offer commercial products and services at wholesale prices to be sold by volunteer departments for profit. Volunteer departments have sold fruit, Christmas trees and cards, calendars, insulated mugs, and many other items.

The Lavale Volunteer Rescue Squad has been selling citrus fruit annually since 1960. By 1998, they were making about \$18,000 a year from annual fruit sales held in the month of December. Incentive programs were est-

ablished, offering prizes to members who sold over 50 boxes of citrus. In 1995, the squad was able to purchase a \$94,000 ambulance with money strictly from the fruit sales.

Contact:

Lavale Rescue Squad
PO Box 3343
Lavale, Maryland 21504
(301) 729-4458
FAX (301) 729-8191

A new ambulance is purchased every five years from this project alone.

Other sales efforts may be tied directly to public safety. Departments may sell items such as fire extinguishers, smoke detectors, or first aid kits though typically these are sold at or close to cost, and do not raise much net profit. One fire company sells water purification products for use in emergencies. Safety-related items can be purchased for resale to the public as part of an emergency preparedness campaign or as part of a disaster relief plan.

The Cabin John Park Volunteer Fire Department in Montgomery County, Maryland, raised over \$18,000 towards the purchase of a heavy rescue squad through sales of family photographic portraits. The department's Auxiliary arranged with a photographer to offer the portraits to members of the community. The photographer's own employees canvassed the community on behalf of the department. The Fire Department provided space for the photographer to take photos in the firehouse.

Most of the work was done by members of the Auxiliary and the photography company, leaving the department's members free of time constraints. The portrait fund drive took place over a six-week period. The Fire Department received a \$15 dollar donation check and each family received one complementary portrait. The photography company received money only from additional orders made by each family. Other departments have handed out coupons for photographers, then split the profits of any business that the photographer brings in from the coupon.



Departments arranging this or similar types of fund-raisers should carefully check the background of companies with which they plan on working, and the quality of the products or services. If the company is going to directly solicit funds on behalf of the department, make sure they are representing the department in a favorable light. Advertise the sales events before hand, and be prepared for citizens to call the department inquiring whether the effort is legitimate. Departments must also check to see what resources they will be required to provide for the portrait fundraiser and be certain they are comfortable with this arrangement prior to agreeing to the fundraiser.

Many fire and rescue organizations have produced calendars as a fund-raising method, some raising thousands of dollars. The “pin-up” style calendars are often controversial, and branded as sexist. They can adversely affect public perception of the fire and EMS department. However, many departments have created calendars that highlight community events and show photos of the fire department vehicles, ambulances, emergency scenes, public relations events and other department related activities. These calendars are not only saleables, but can be important public relations tools too. For example, fire departments can mark certain dates on the calendar to remind buyers of “Change Your Clock, Change Your Battery” or Fire Prevention Week. Fire departments can also highlight their own events (dinners, open houses, etc.) as well as print safety messages within the calendars.

Fire and emergency service departments commonly rent out meeting or banquet halls attached to the fire station or adjacent to the fire station. This has proven

itself to be a viable fundraising method for many agencies all across the country. Even fire and emergency service departments without dedicated meeting halls can take advantage of this type of fundraising opportunity. In many stations, there is a large training room which is used occasionally for department meetings or training functions. It may be possible to rent out this type of room to community groups looking for meeting space or to private companies looking for off-site meeting areas. There also may be storage areas which the department is not using that can be rented out temporarily as a means to make money for the department.

Another type of fundraiser that departments have had success with is collaborating with local restaurants and eating establishments to conduct special events. Fire departments can work with a local community restaurant, for example, to have a special night where a percentage of all food sales will be donated to the department. The fire department may assist the restaurant in advertising the event to increase their business, making the collaboration a win-win situation.

HONORARY MEMBERSHIPS

Many departments sell honorary memberships or other kinds of memberships on an annual basis to help raise funds. For prices typically from \$5 to \$15, members of the community receive a small membership card, a certificate for their wall, or a sticker for their car.



RAFFLES

Raffles are a classic way to raise funds. Many items can be raffled off, and large amounts of money can be raised. Raffles work best when the fund-raising is targeted towards a specific goal, such as a new engine or other piece of apparatus. The downside to raffles is that the members of the organization must sell tickets. This creates a time burden, is considered unpleasant by many, and may receive some resistance. A method of financial accountability must be established due to the large sums of money that will be collected by many members of the department.

Usually the items raffled are donated or purchased at significant discount. Automobiles, TV's and vacation trips are among the things often raffled, but sometimes more interesting items are used. The Arminger, Maryland Volunteer Fire Department raised funds through the raffle of a large hot tub. To promote their raffle they sold tickets at a booth during the Maryland State Firemen's Convention. They also towed the hot tub on a trailer behind their apparatus during the annual convention parade. The Libertytown Volunteer Fire Department in Frederick County, Maryland, makes almost \$10,000 profit on an annual raffle of a pickup truck.

Some fire departments, especially in rural areas, have raffled guns. However, members of an urban fire department in the East received bad publicity after a raffle of hunting rifles and handguns raised \$10,000. Some members of the community were upset that the guns were being promoted. Such sensitivities must be considered. What works in a rural area may not work on an urban

area, and vice versa.

OTHER MISCELLANEOUS SOURCES

Undoubtedly there are many other ways to raise money from the private sector. Fire and EMS departments should look closely at the private sector sources within their own community and form strategic partnerships to help raise much needed revenue for their agencies. A few examples of private sector partnering are described here.

Movie Production

Movie producers may contract with local fire and EMS agencies to provide vehicles and other assets if they are called for in the script. This can be a source of funds or of nearly-new equipment. San Francisco received a new chief's car for assisting in the making of the movie, "The Towering Inferno."

Another opportunity is for EMS agencies or fire departments to provide EMT standby personnel during filming. Film contracts and work rules often require on-site emergency medical capabilities to be provided. Fire and EMS departments can earn sizable donations or may formally contract for the services. Check with local and state film commissions to find out what filming may be going on in your area; then contact the production company directly, if they have not already approached you.

Special events such as auto races, circuses, and fairs also require EMS protection. Fees are usually charged for providing on-duty personnel or, more often, using per-



sonnel on overtime or off-duty.

Advertising

Advertising, while not a source itself, is a technique that can be applied to many private fund-raising activities described in this chapter, and is given special treatment here.

Advertising is sometimes considered taboo in the fire service, but can be a valuable means of raising revenues in several ways. First, ads can be used to solicit funds as part of fund drives. Ads may refer to the amount needed (“million dollar drive”), the purpose of the money (“new station”), or benefits (“faster ambulance response time”). Fire stations and vehicles themselves can be used to provide the space for temporary ads for fund drives. Message boards placed in front of stations can be used to remind residents that a fund drive is in place or that donations of equipment are welcome. (These are also suitable places to put up recruiting ads.)

Another way to use advertising for fund raising is to publicize the people or organizations who make the donations. Sometimes this is simply an acknowledgement and sometimes it is an openly traded quid pro quo. Safety trailers used for public education purposes often have a list of donors or set of plaques showing the various organizations that donated time, money, or materials. Sometimes the company that funds a project may display its logo on the side of the trailer, or put one on printed prevention materials. Automobile dealerships have displayed logos on utility vehicles that they donated to departments. The La Habra, California, Fire Department shows the cor-

porate donor’s name on its heavy rescue vehicle. The Melbourne, Australia, Fire Brigade has displayed the logo of a health insurance provider on the side of its fire vehicles in return for the insurance company financing a public fire education campaign for the Fire Brigade.

City-owned public transportation, such as buses and subways, have sold advertising space on the sides of vehicles, at waiting areas, and inside vehicles for decades. This outright sale of space probably is not palatable to most fire and EMS agencies. Care also must be taken not to make it difficult to recognize emergency vehicles by covering them with corporate logos, like race cars. On the other hand, many corporations may not require or even want to have their name crassly attached to donations; this must be discussed with the donor.





CHAPTER EIGHT

MANAGED CARE FOR EMERGENCY MEDICAL SERVICES

Managed care organizations (MCOs) are making a dramatic change in the way in which emergency medical service agencies operate and receive payment for services. This section is an introduction to some basic concepts of revenue generation and cost recovery within a managed care environment. Revenue generation and cost recovery in managed care environments can be a very complicated and diverse process for emergency medical service agencies, and should be investigated fully by an agency as a means to secure funding. The concepts are constantly changing, so agencies should ensure that they have the most current information when dealing in managed care environments.

BACKGROUND

The principles of managed care are spreading rapidly out of a necessity to create a competitive health care market. The intrinsic factors behind the recent health care reform are rooted in the the basic principles of managed care:

1. moving from a focus on illness to a focus on wellness;
2. shifting from discrete payments for services to for individuals to a pre-paid, population-based payment system; and
3. making quality a strategic initiative.

The focus of these principles is to encourage patients, providers and payees to agree on the best method to achieve cost and quality goals, members' satisfaction and desired profit levels. This is creating an incentive for managed health care organizations to find the most eco-

nomical and efficient combinations of health care services that can be delivered to their enrolled populations.

WHAT IS MANAGED CARE?

Managed care organizations provide for both the delivery and the financing of health care for their members (enrollees.) These organizations take a variety of forms in how they deliver that care and how they finance services. In addition, MCOs are evolving, with the boundaries between older forms of service delivery becoming blurred and with new forms taking shape. If present trends continue, managed care will become the predominant system for the delivery of health care in the United States. The driving force behind this growth is the belief that health care costs can be controlled by “managing” how health care is delivered. This will mean changing the planning philosophy from “being prepared for anything and everything” to focusing on the most likely occurrences and being prepared to deal with them effectively and efficiently.

Gatekeepers

All managed care organizations build on the foundation of the primary care provider. The term primary care provider generally means a family practitioner, general internist or general pediatrician, however, it can also refer to an obstetrical/gynecological (OB/GYN) physician or a non-physician provider, such as a nurse practitioner, physician's assistant or midwife. This provider has the burden of limiting health care expenditures by limiting access to other providers of health care. Some have used the term “gatekeeper” to describe this func-



tion. Limiting referrals to specialists and decreasing admissions to hospitals are the major means to control access to care. Incentives for primary care providers to comply vary, depending on the type of MCO, and may include bonuses or payment of fees that have been withheld.

Types of Managed Care Plans

Health Maintenance Organization (HMO)

In classic enrollment insurance, the enrollee pays a premium to the health insurer, for which the health insurer contracts to pay for the health care that is delivered. In contrast, HMOs not only contract to pay for the health care of enrollees, but also to deliver the care to them. There are several models of HMOs. The primary differences between each type of HMO are the methods in which the HMO relates to its participating physicians. Payment most often, but not necessarily, takes the form of a “capitation fee.” With capitation, the organization receives a monthly, pre-paid, fixed fee for each covered individual or family. For that fee, the HMO agrees to provide the services for which the contract calls. The organization attempts to provide those services to the individual at a cost lower than the fee paid. Thus, the incentives in HMO practices differ markedly from the incentives in fee-for-service practices. In a pre-paid capitation system, the provider profits by delivering less costly and less total services and by minimizing referrals to other providers, since the provider retains more of the pre-paid fee by doing so. In a fee-for-service system, more money can be made by providing more services, and no financial risk accrues to the organizations or to the individual physician by asking

others to provide services since classic indemnity insurance will pay for them. The HMO hopes to persuade people to insure with them by offering similar health care services at a lower price, and by controlling those costs by having their providers manage care.

Preferred Provider Organization (PPO)

In preferred provider organizations, the organization contracts to provide health services for a set fee through the use of selected physicians. The physicians agree to the fee structure of the PPO in return for the PPO providing them with patients. These fees are generally lower than the physicians charge their non-PPO patients, but the physicians are willing to accept the discounted rate because the increased volume will maintain or increase their revenue. In addition, physicians in PPOs usually incur no financial risk. Patients in PPOs are allowed to use providers outside the PPO, but must pay extra to do so. Physicians, in order to belong to the PPO, agree to abide by utilization management agreements. Therefore, should participating physicians wish to refer a patient to a specialist, they must first receive permission for the referral, and then refer to a specialist with whom the PPO has an existing agreement. If participating physicians wish to admit a patient to a hospital, prior permission from the PPO must be obtained. Without these authorizations, the PPO will not pay for the service. Unlike HMOs, in PPOs the patient can choose a non-PPO option but must pay extra to do so. The financial burden is placed on the patient rather than on the physician or the organization.



Point-of-Service Plans (POS)

Point-of-service plans combine features of classic HMOs with some of the characteristics of patient choice found in PPOs. Similar to the HMO model, the physician is paid through a capitation or other risk based model. Similar to the PPO model, a member of a point-of-service plan can choose to use a non-plan provider by paying extra. Costs are kept down by asking the patient to pay more or by making the provider act as a “gatekeeper,” and enforced by placing a financial risk on the provider.

EMERGENCY MEDICAL SERVICES AND MANAGED CARE ORGANIZATIONS

Capitation Versus Fee-For-Service

According to the American Ambulance Association (AAA) in 1998, “capitation will become the dominant form of payment in American health care delivery within the next five years.” Emergency medical service agencies, or agencies providing EMS, should understand the concept of capitation and how it could apply.

Advantages and Disadvantages

Capitation occurs when insurers or HMOs pay a fixed amount to a health care organization. This fixed amount is computed per member, per month (PMPM). In other words, if Anytown Emergency Medical Services Department has 23 members within a given HMO, the HMO will pay the organization a fixed amount for each of the 23 members per month. This payment does not

change based on the amount of services a health care organization provides. Were all 23 HMO members to use the Anytown EMS Department in one month, there would be no difference in their payment from the HMO, and likewise, were no HMO members to use the department’s services in another month, the payment would remain the same.

Under capitated contracts, EMS agencies must strive to provide the amount of care and services medically necessary in the most cost-effective manner. The advantage of capitation for EMS agencies is a stable revenue sources through a guaranteed monthly payment. Agencies who can successfully balance the provision of services with the guaranteed income generated by capitated contracts will find this method of funding beneficial.

The disadvantages for EMS agencies in capitated contracts are the poor predictors for use. In other words, the EMS field is ever-changing, and the services provided are evolving on an almost monthly basis in some areas. Also, community demographics, particularly in suburban areas, are changing at break-neck speed. These factors will all change the response patterns and service delivery of EMS agencies. If agencies are using capitated contracts, the monthly payments will not change until the contract is renewed or renegotiated. This means that the real EMS demands may outpace the anticipated EMS demands, thus making capitation a less effective revenue generator for an agency. In many cases, EMS agencies must negotiate a provision within the agreement on contract to allow for changes to the payment cap to accommodate usage exceeding the anticipated level.



Capitated contracts with managed care organizations involve a great deal of preparation and research on the part of the EMS agency, and the contracting and logistical processes for payments may be very complicated. It is important that EMS agencies adequately prepare for this type of funding alternative and have the resources necessary to make capitation work for their agency.

Preparing for Managed Care Contracting

Managed care contracting must be thoroughly researched and understood by the EMS agency entering into the agreement. The following items may be relevant to an agency's preparation for managed care contracting:

- Who is the agency providing EMS services for? Who else is providing that service within the geographic region?
- What managed care providers cover the majority of the citizens within that service area?
- What is the background on each of these managed care providers? What is their financial status? How do they deal with other EMS agencies? What are the experiences of other EMS agencies working with this managed care provider?
- What form of managed care is involved? How are payments made? Is there a system of fee-for-service or capitation?

- What are the agency's costs for service provision? What are other EMS providers charging?
- How much does the EMS agency need to recover to keep the EMS system operational?
- How long will agreements or contracts with managed care organizations last?
- Are there other EMS agencies that can be partnered with to provide services under a managed care contract?

Doing background research, on both the agency and the managed care provider, is critical for successful contracting with managed care organizations.

EMS Provider Networks

In working with managed care organizations, it may be beneficial to create networks for providing EMS services. In other words, agencies considering managed care contracting may be more successful as a part of a network of EMS providers than acting independently.

There are many forms of networks that ambulance and EMS agencies can form. Each type of network has advantages and disadvantages to both the individual agencies involved and in relation to the managed care organization and contracting process. EMS agencies, when considering managed care contracting as a funding alternative, should also investigate the process of forming networks.



HOW WILL MANAGED CARE CHANGE EMS?

The prevalence of managed care organizations in the healthcare delivery system will certainly have an impact on the delivery of emergency medical services in the United States. This impact may be felt in a number of ways, including the provision of services, business practices, and funding mechanisms.

EMS agencies should begin to learn more about managed care organizations and their effects on the healthcare delivery system in this country. The role of EMS agencies in this system will likely shift in the coming years, and one of the greatest impacts may be the funding mechanisms for EMS agencies.

Opinions on Managed Care and EMS

A number of associations and organizations are involved in research and education of EMS agencies on the topic of managed care.

The American College of Emergency Physicians makes the following statement concerning managed care and emergency medical services:

“What effect will managed care have on emergency medical services (EMS)? Some large health plans operate or have contracts with private ambulance services, and these plans may encourage their members to use these services rather than 9-1-1. But patients should always be encouraged to use the EMS system for acute medical problems like chest pain, since delays could be a matter of life and death, and private ambulance companies often do not

provide advanced life support services. This is also a problem because EMS is an integrated system whose cost-effective operation depends on the participation and financial support of a large population base. America can't afford to destroy a system that has been over 20 years in the making—a vital public service that saves thousands of lives each year—just to increase profits for insurers.”

The National Association of Emergency Medical Service Physicians makes the following statement in a 1998 Position Paper entitled “EMS Systems and Managed Care Integration”:

“Emergency medical services systems and Managed Care Organizations must cooperate and educate each other in order to effect delivery of reliable, high-quality emergency health care to the entire community. Shared goals are rapid access, medically appropriate care, and operational efficiency. An integrated approach is necessary in order to maintain the integrity of EMS systems. EMS systems serve as a safety net for patients with perceived emergencies. Changes in form and function should be guided by outcome studies that ensure the continued delivery of quality emergency health care services.”

CONCLUSION

Contracting with managed care organizations is a viable funding mechanism for EMS agencies. This emerging concept is growing in the field of EMS and will soon be a prevalent form of funding. This method of cost recovery has the potential to be a great benefit to EMS agencies. Unfortunately, the world of managed care organizations, contracting, fee-for-service and capitation is extremely



complex and dynamic. Agencies considering this method must research the managed care organization and its relationships thoroughly. Managed care contracting may also require EMS agencies to hire specialists in managed care, billing and/or capitation. EMS agencies may also need to alter business practices and service delivery. Managed care has the potential to have an impact on all portions of emergency medical service provision. EMS agencies need to be informed and ready to deal with the increased pervasiveness of managed care in the health care delivery system.

RESOURCES

For more information about managed care organizations and emergency medical service agencies:

American Ambulance Association

3800 Auburn Boulevard, Suite C
Sacramento, CA 95821-2132
(916) 483-3827
(916) 482-5473 fax
aaa911@the-aaa.org

Note: Managed Care Guide for the Ambulance Industry, a publication produced by the American Ambulance Association, is a comprehensive guide to working with managed care organizations.

American College of Emergency Physicians

P.O. Box 619911
Dallas, TX 75261-9911
(800) 798-1822
(972) 580-2816fax
www.acep.org

International Association of Fire Chiefs

Emergency Medical Services Section
4025 Fair Ridge Drive
Fairfax, VA 22033-2868
(703) 273-0911
(703) 273-9363 fax
www.iafc.org

Note: The Emergency Medical Services Section of the IAFC is active in monitoring managed care trends in the EMS industry. The IAFC also has a Management Information Center where bibliographies of managed care articles can be obtained.

International Association of Fire Fighters

1750 New York Avenue
Washington, D.C. 20006
(202) 737-8484
(202) 783-4570 fax
www.iaff.org



**National Association of Emergency Medical Service
Physicians**

P.O. Box 15945-281
Lenexa, KS 66285-5945
(800) 228-3677
(913) 541-0156 fax
www.naemsp.org

*Note: The NAEMSP has published a position paper on
“EMS Systems and Managed Care Integration.”*

National Highway Traffic Safety Agency

United States Department of Transportation
www.nhtsa.dot.gov

*Note: The NHTSA monitors the effects of managed care
on EMS systems and has a variety of educational prod-
ucts and publications to assist EMS systems and manag-
ers.*





CHAPTER NINE

SUMMARY AND OBSERVATIONS

Most career fire and rescue departments today do not depend on a single source of revenue for funding fire protection and EMS. The same is true for volunteer departments — there is usually a package of funding approaches. This manual has provided both career and volunteer fire and EMS agencies with a variety of ideas about funding alternatives. This chapter covers some final thoughts and observations about funding alternatives for fire and EMS agencies.

CAREER DEPARTMENTS

Perhaps most typical for career departments, the local government provides a budget for the fire department from general revenues and the fire department supplements that with a variety of fees for special services. The package of funds other than the portion from general revenues often amounts to less than 10 percent of the budget.

Increasingly, especially in states where property taxes or other taxes have been limited by state legislation, other sources are sought that provide a significant part of the budget. The benefit assessment charges used in states such as Washington to get around limitations on property taxes are good examples; they often provide up to 40 percent of the funding of the fire departments that use them.

Prevention now is often funded in part by inspection fees, and sometimes by a broader range of fees than that. Many prevention-oriented fees are used not only to raise monies, but also to help deter fires, hazardous materials incidents, and false alarms, and to punish code vio-

lators. Because prevention budgets are generally low, typically less than 3 percent of a fire department budget, the prevention-oriented fees can provide a significant portion of prevention budgets, though they tend to comprise a small amount of the overall department budget.

Emergency medical services are increasingly becoming self-supporting, or at least paid to a large extent by the users. Emergency medical transport is now frequently paid for by a transport fee or subscription service that at least covers the incremental cost of providing the transport, and sometimes pays for part of the basic medical service as well. Fees for EMS care without transport are also on the raise. The majority of EMS fees are paid by medical insurance.

Many states offer grants, loans, services-in-kind (especially training) and access to federal grant programs to their local fire and EMS agencies. The state fire marshal or equivalent office and the state EMS coordinator's office are two starting points to check, but a variety of other state offices such as health, occupational safety, forestry, and transportation also may have programs. The available federal programs are described in several publications that be consulted.

Private sources such as corporations and foundations are good sources for funding capital purchases, pilot programs, and prevention resources. The local private sources should be researched and groomed over time. Local media can help publicize and “reward” donors.

Innovative funding approaches are not restricted to large departments. In fact, large departments often are



tied up by local legislation and politics and may use a more limited range of approaches than some smaller departments.

VOLUNTEER DEPARTMENTS

Volunteer departments have traditionally been highly creative in fundraising efforts. The funding for volunteer and combination departments varies dramatically from community to community. Some communities pay for all expenses of volunteer departments (other than labor), and some pay nothing.

Volunteers may have the freedom to go beyond career departments in raising funds from the public. Some volunteer departments are largely funded by door-to-door or direct mail solicitation. Others largely depend on special fund raising events ranging from carnivals to picnics to sports events. Sales of goods and services, in which the fire department shares proceeds with a vendor, is also common.

The particular approaches that are most profitable depend on the nature of the community, local history and what proves most palatable to the public. Volunteer department special events may be a significant, welcome addition in a small community but may not work as well in suburbs — there are counter-examples of each.

A variety of methods should be considered, and those most cost-effective retained. The volunteer time involved in fund-raising must be respected so that it is not a problem in retention and recruiting. Volunteers who like to run events or are willing to help raise funds and

may not necessarily want to be firefighters or emergency medical service providers can be of great assistance.

OVERALL OBSERVATIONS

Considering the many fire and EMS department fund-raising programs reviewed in this manual, the following observations are offered:

- 1) Funding is a critical issue in the fire service and among emergency medical service providers today. They need all the help they can get in finding ways to raise funds to provide adequate emergency services at a time when local government budgets are extremely tight and often being reduced in many sections of the country.
- 2) Local fire and EMS departments should evaluate the wide array of techniques available to them, and consider which might be added to their existing repertoire. This is a life safety issue. You can't put out fires or save heart attack victims without the resources and equipment to do it, and those forces and equipment depend on funding. Raising adequate revenues is as important for the life safety of the community as providing the proper training.
- 3) Most local fire and EMS departments are using a package of fundraising sources. There are usually one to three major sources and a variety of minor sources.



- | | |
|--|---|
| <p>4) <u>Local fire and EMS departments should make it a point to share methods for fundraising with each other.</u> Report successful methods to the local, state and federal fire and EMS publications and periodicals and at conferences and meetings. Share your funding alternative ideas with the United States Fire Administration as well, so that the USFA can continue to update this manual for fire and EMS agencies across the country.</p> | <p>port fees are highly dependent upon how health insurance gets paid. The fire and emergency medical service providers should consider participating more in the discussion on health care costs, and at a minimum monitoring it carefully for impact on EMS costs and fee structures. Charges for medical and transport services can go a long way toward offsetting shortages in general revenues. On the other hand, turning off the spigot of insurance for non-critical transport could cause a surge requirement in taxes.</p> |
| <p>5) <u>Many of the alternative funding sources identified here are ways to cope with diminishing public/government funding.</u> It would be simpler to have one funding source instead of dealing with many. However, the public may be more willing to pay taxes or fees earmarked for public safety than other services. And the public may prefer user fees to direct taxes. That is their democratic choice.</p> | <p>8) <u>Collection methods must be considered in adopting new fees.</u> It would not be wise to have collection costs consume a large portion of the fees to be collected unless the primary purposes of the fees are deterrents rather than cost recovery. The net amount of money received, not the gross amount billed, is the key financial statistic for a new source.</p> |
| <p>6) <u>Some funding sources come with challenges and problems.</u> Departments need to carefully consider the tax implications, long term commitments, time and resource issues, legal constraints, and public image associated with new funding approaches.</p> | <p>9) <u>Fire and EMS departments need to be aware of state and local legal constraints on revenue raising.</u> The fire service needs to express its views on the need for authority to raise funds in ways acceptable to the public. Benefit assessment charges are legal in some states and not in others.</p> |
| <p>7) <u>Funding for emergency medical service is — or should be included — in the general health care cost debate.</u> Since EMS calls can constitute up to 60 to 75 percent of the emergency calls in many fire departments today, the method of paying for EMS may have a large impact on the fire/EMS service of the future. Subscription plans and trans-</p> | <p>10) <u>Fire academies might consider adding more information on alternative funding sources to management courses.</u> A full course may even be justified on that subject, which has become of grave importance in many communities.</p> |



- 11) Lack of funds in local government can be used as an opportunity to rethink how fire protection and emergency medical services are delivered. More efficient ways to provide the same or even better levels of service, such as through strategic alliances or cost-sharing among neighboring communities, may become feasible or even necessary. The discussion of alternatives to funding fire and EMS services may be a good time to discuss alternative approaches to service delivery and the levels of service.

- 12) The selection of fundraising mechanisms, the strategy for fire protection, and the balance between prevention and suppression are intertwined. This is an excellent time to inform the public of its responsibility for preventing fires through safer behaviors, cooperating in arson control efforts, and the option of building in more fire safety into homes. Some of the fees discussed in this report can be used as deterrents to unsafe behaviors.

- 13) The choice of funding alternatives affects the viability of the career and volunteer fire service. If a community does not adequately support its volunteers, it may have to pay a much larger bill either in built-in fire/EMS protection or in paying for career protection. Conversely, if a community does not adequately support its career fire/EMS service, it needs to consider the viability of reverting to more dependence on volunteers or to accept higher risks. Public debate on alternative funding should consider these ramifications.

- 14) The choice of funding approaches is a major political decision of an appropriate sort in a democracy. Should citizens pay a common fee into a general fund, with the service going to whomever needs it? Should the citizens pay for services when needed, and not have non-users subsidize users? What happens to low-income families under either philosophy? What happens if one needs a large amount of fire protection or EMS service? The philosophy behind our fundraising approaches involve issues of governance as much as it does finance and economics.

The way we join together and help each other is the root of civilization; the approach to funding public safety is fundamental, and should be addressed with due care.

AN APPEAL TO READERS

The U.S. Fire Administration would greatly appreciate hearing about other successful ways to raise funds for fire protection and emergency medical service beyond those in this comprehensive report on the subject. The USFA would also like to know about variations on the methods presented here, interesting examples, and significant new problems or advantages beyond those cited here. Please send any information on this subject to:

Funding Alternatives Project Officer
 United States Fire Administration
 16825 S. Seton Avenue
 Emmitsburg, Maryland 21727



APPENDIX A

PARTIAL LIST OF FEDERAL FUNDING SOURCES RELATED TO EMS

Federal support for EMS is indirect. It is usually provided through Block Grants to States. Some Federal agencies fund research on and demonstration projects for EMS. Those that have specific EMS programs are listed here.

US DEPARTMENT OF TRANSPORTATION

<http://www.dot.gov>

National Highway Traffic Safety Administration (NHTSA)

Emergency Medical Services Division
400 7th Street, Northwest, Room 5130
Washington, DC 20590
Phone: (202) 366-5440
Fax: (202) 366-7721
<http://www.nhtsa.dot.gov>

- provides Section 403 funds to conduct research and demonstration projects, and provides technical assistance to states
- provides Section 402 State and Community grant funds to enable States to improve highway safety
- EMS is one of the priority areas eligible for Section 402 funding

US DEPARTMENT OF HEALTH AND HUMAN SERVICES

<http://www.dhhs.gov>

<http://www.healthfinder.gov>

Maternal and Child Health Bureau/MCH Research Programs

Parklawn Building, Room 18A-55
5600 Fishers Lane
Rockville, Maryland 20857
Phone: (301) 443-2350
Fax: (301) 443-0392

- seeks to improve the ability of EMS to care for children by providing state implementation grants and targeted issue grants
- established the national Resource Center Network to provide consultation and technical assistance to States, national organizations, current grantees, and prospective grantees



MCH Research Program Active Projects FY 1992-93: describes projects funded as well as pre-award evaluations of projects that were newly approved. A good resource to see what types of projects are funded as well as pre-award evaluations. Copies of this and the *MCH Research Program: Completed Projects 1992-93* can be ordered by contacting:

National Center for Education in Maternal and Child Health

2000 15th Street North, Suite 701
Arlington, VA 22201-2617
Phone: (703) 524-7802
Fax: (703) 524-9335
<http://www.ncemch.org>

MCH Research Exchange is a newsletter produced by the MCHB and NCEMCH that provides firsthand knowledge and advice for potential applicants, as well as updates on current and completed projects. The newsletter can be requested from the above address.

Office of Rural Health Policy

Parklawn Building, Room 9-05
5600 Fishers Lane
Rockville, MD 20857
Phone: (301) 443-0835
Fax: (301) 443-2803
<http://www.nal.usda.gov/orhp>

- supports projects to provide, enhance, or revitalize health care, including EMS, in rural areas

Agency for Health Care Policy and Research (AHCPR)

Executive Office Center
2101 East Jefferson Street, Suite 501
Rockville Maryland 20852
Phone: (301) 594-1364
Fax: (301) 594-2800
<http://www.ahcpr.gov>

- promotes research on a wide range of topics associated with the practice, organization and outcomes of primary care
- doctoral dissertation research grants
- institutional health services research grants
- individual health services research fellowships

National Institutes of Health

Center for Scientific Review
6701 Rockledge Drive, Room 1040
Bethesda, Maryland 20892-7710
Phone: (301) 435-0714
Fax: (301) 480-0525
<http://www.nih.gov/grants/oer.htm>
e-mail: grantsinfo@nih.gov

- provides grants/funding for biomedical and bioengineering research



Centers for Disease Control (CDC)

Grants Information

2920 Brandywine Road, Suite 300

Mail Stop E-13

Atlanta, Georgia 30341-4146

Phone: (770) 488-2710

Fax: (770) 488-2777

<http://www.cdc.gov>

- extramural research grants to federal, state, and private sector agencies for injury control research projects and for the development of injury control research centers in university settings
- has authority to provide assistance to public and non-profit private entities, scientific institutions and individuals engaged in research related to causes, mechanisms, prevention, diagnosis, treatment of injuries and rehabilitation
- intramural research programs focus on injury surveillance, technical assistance for investigations of injury outbreaks/clusters, and epidemiologic analysis of priority injury problems

Emergency Medical Services for Children

National Resource Center (NRC)

Children's National Medical Center

111 Michigan Avenue, Northwest

Washington, DC 20010-2970

Phone: (202) 884-4927

Fax: (301) 650-8045

<http://www.ems-c.org/>

- publishes free online monthly Grant's Alert fact sheet with public and private funding opportunities
- provides consultation on federal/private funding
- publishes "Meeting the Needs of Children," a resource guide to fundraising, which includes tips on grant writing available from the above address
- website contains links to other funding sites
- EMS-C Grant Programs available:

Planning Grants

Planning Grants help states that have not received an EMSC grant begin to conduct a needs assessment and start a preliminary plan before they implement a full-scale program.

Implementation Grants

Implementation Grants consist of a full-scale program in which the grantee begins to integrate emergency medical services for children into the state's pre-existing EMS system.



Enhancement Grants

Enhancement Grants are awarded to states to help improve the existing emergency system and to further integrate EMSC into the existing EMS system.

Targeted Issues Grants

Targeted Issues Grants are awarded to states that want to improve and develop usually one aspect or target area of EMSC within their systems.

Other EMSC Grants

MCHB-NHTSA has also provided funding for research, nursing, continuing education and mental health grants in cooperation with other federal entities.

National EMSC Resource Alliance (NERA)

c/o REI/Harbor-UCLA Medical Center
1124 West Carson Street, Building N-7
Torrance, California 90502
Phone: (310) 328-0720
Fax: (310) 328-0468
<http://www.injuryfree.org/hucla.htm>

- facilitates technical assistance teams for program assistance
- develops family-centered, culturally sensitive, and community-based programs that provide safe and supportive environments to the members of the community
- develops and implements innovative programs that focus on providing safe environments, positive role models and alternative activities

US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Community Planning and Development

451 7th Street, Southwest
Washington, DC 20410
Phone: (202) 708-3587
Fax: (202) 401-2044
<http://www.hud.gov/disarelf.htm>

- awards Disaster Recovery Initiative grants to help cities, counties and states recover from Presidentially declared disasters

US DEPARTMENT OF AGRICULTURE

Rural Development Administration

Community Facilities Division
14th and Independence Avenue, Southwest
Washington, DC 20250
Phone: (202) 720-4581
Fax: (202) 720-2080
<http://www.rurdev.usda.gov>

- promotes economic development in rural America by (1) financing needed community facilities (2) assisting business development, and (3) developing effective national strategies for rural economic development



- assists rural EMS by providing guaranteed loans for essential facilities including major equipment. This includes hospitals, clinics, EMS buildings, ambulances, Computerized Axial Tomography (CAT) scanners, hydraulic tools, radio and telemetry equipment

Websites of Federal EMS Funding Sources

The following web sites contain the addresses of Federal Government Agencies that may provide grant support for research into EMS.

Community of Science Database - <http://best.gdb.org/best.html>

Department of Health and Human Services (DHHS) – <http://www.dhhs.gov>

Government Resources - <http://www.os.dhhs.gov/progorg/grantsnet/otheruse/index.html>

Federal Information Exchange (FEDIX) - <http://web.fie.com/fedix/index.html> - Searchable index, Automated Alert for funding!

Federal Register - <http://www.counterpoint.com>

Federal Register GPO - http://www.access.gpo.gov/su_docs/aces/aces140.html

FedWorld - <http://www.fedworld.gov>

At-A-Glance Guide to Grants - <http://www.sai.com/adjunct/nafggrant.html>

Foundation Center - <http://fdncenter.org/>

Government Printing Office - http://www.access.gpo.gov/su_docs/

Non-Profit Foundations - <http://www.uic.edu/depts/ovcr/private.html>

Minority Funding Opportunities - <http://medoc.gdb.org/best/fund.html>

Minority Scholarships and Fellowships - <http://www.fie.com/molis/scholar.htm>

National Academy of Sciences - <http://www.nas.edu/>

National Institutes of Health - <http://www.nih.gov>

Read the NIH Guide - <http://www.med.nyu.edu/nih-guide.html>

CRISP at the NIH site - <gopher://gopher.nih.gov/11/res/crisp>

NIH Health Information Index - alphabetical list of research topics with funding Institutes! Very useful.- <http://www.nih.gov/news/96index/pubina-e.htm>



Websites of Federal EMS Funding Sources (Continued)

National Science Foundation - <http://www.nsf.gov/>

NSF Career Planning Center - <http://www2.nas.edu/cpc/ndex.html>

Search for NSF Grants - <http://www.nsf.gov/verity/srchawd.htm>

National EMSC Resource Alliance - <http://www.emsc.com>

Pre-Award Grant Information - http://www.uth.tmc.edu/ut_general/research_acad_aff/ors/index.htm

The National Center for Education in Maternal and Child Health (NCEMCH) - <http://www.ncemch.gerogetown.edu>

United States Department of Health and Human Services (DHHS) - <http://www.os.dhhs.gov/>

United States Public Health Service - <http://phs.os.dhhs.gov/phs/phs.html>

Administration for Children and Families (ACF) - <http://www.acf.dhhs.gov/>

Agency for Health Care Policy and Research (AHCPR) - <http://www.ahcpr.gov>

Agency for Toxic Substances and Disease Registry (ATSDR) <http://atsdr1.atsdr.cdc.gov:8080/atsdrhome.html>

Centers for Disease Control and Prevention (CDC) - <http://www.cdc.gov>

Food and Drug Administration (FDA) <http://www.fda.gov/fdahomepage.html>

Health Care Financing Administration (HCFA)

(MEDICARE and MEDICAID)

Health Resources and Services Administration (HRSA) - <http://www.hrsa.dhhs.gov/>

Indian Health Service (IHS) - <http://www.tucson.ihs.gov/>

National Institutes of Health (NIH) - <http://www.nih.gov/>

Substance Abuse and Mental Health Services Administration (SAMHSA) - <http://www.samhsa.gov/>

U.S Federal, State, and Local Grant Funding Opportunities - <http://www.statelocal.gov/funding.html>



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Special Note: A variety of Executive Fire Officer Applied Research Projects from the National Fire Academy can be found at the Learning Resource Center. To search the database, go to www.usfa.fema.gov and search the LRC by the keywords "Alternative Funding." Applied Research Projects can be obtained from the Learning Resource Center through Inter-Library Loan programs at your local library.