

Report Highlights

Volunteer Fire Company and Volunteer Ambulance Service Grant Program

Act 2007-10 calls on the LB&FC to conduct a performance audit of the Volunteer Fire Company and Volunteer Ambulance Service Grant Program. Act 10 also established a termination date of June 30, 2012, for the program unless reauthorized by the General Assembly. Our report found:

- **Approximately \$125 million has been awarded to over 2,700 volunteer fire, rescue, and ambulance companies across Pennsylvania.** Over the past five years, \$25 million a year has been transferred from the State Gaming Fund for VFCVAS grants.
- **Of the 13,400 projects that have received a grant award, most (53%) have been for equipment purchases.** Other allowed uses for VFCVAS grants are debt reduction (34% of projects), construction (12%), and training (2%).
- **Our review of 20 grantee files found no significant problems.** We reviewed grantee files to assess (1) if the applications had been reviewed by OSFC staff prior to the grant award, (2) if the proposed expenditures were allowed under the act, (3) if all outstanding Final Reports had been submitted prior to the award of the grant, and (4) if there was evidence that the Final Reports included the required supporting documentation and had been reviewed by OSFC staff.
- **The VFCVAS grant program expires on June 30, 2012, unless reauthorized by the General Assembly.** The State Fire Commissioner has expressed concern that, especially if the new reauthorizing legislation requires substantial changes to the application process, it might be difficult to implement the new legislation if the program is not reauthorized prior to February 2012.
- **Act 10 specifically bars any of the grant fund allocation from being used for administrative support purposes.** The State Fire Commissioner estimates it costs about \$377,500 annually in personnel and operating costs to administer this program. The Commissioner reports they have had to transfer one full-time position from the Volunteer Fire Company loan program and use annuitants and other OSFC staff on an as-needed basis to support the VFCVAS grant program.
- **\$25 million is insufficient to meet the allowable award limits.** Act 10 limits the amount a volunteer fire company can receive to \$15,000 annually (\$10,000 for ambulance companies). If all grants were funded at this maximum level, it would have required an appropriation of \$36.7 million in FY 2010-11.
- **Volunteer fire companies that have been decertified by their municipality can continue to receive a VFCVAS grant.** Act 10 does not require grant recipients to be certified by their municipalities.
- **Volunteer fire companies have been slow to participate in the PA Fire Information Reporting System.** Active participation in the PFIRS is a requirement to be eligible for a VFCVAS grant. The OSFC has been reluctant to enforce this requirement due to difficulties in providing adequate training to fire companies. The OSFC now believes the on-line reporting system is sufficiently user-friendly to begin enforcing this requirement, which they intend to do over the next 2 years.

Recommendations:

- The General Assembly consider allowing up to 2 percent of the VFCVAS grant funds to be used for OSFC administrative costs.
- The General Assembly consider prohibiting volunteer fire companies that are decertified by their municipalities from receiving a VFCVAS grant.