

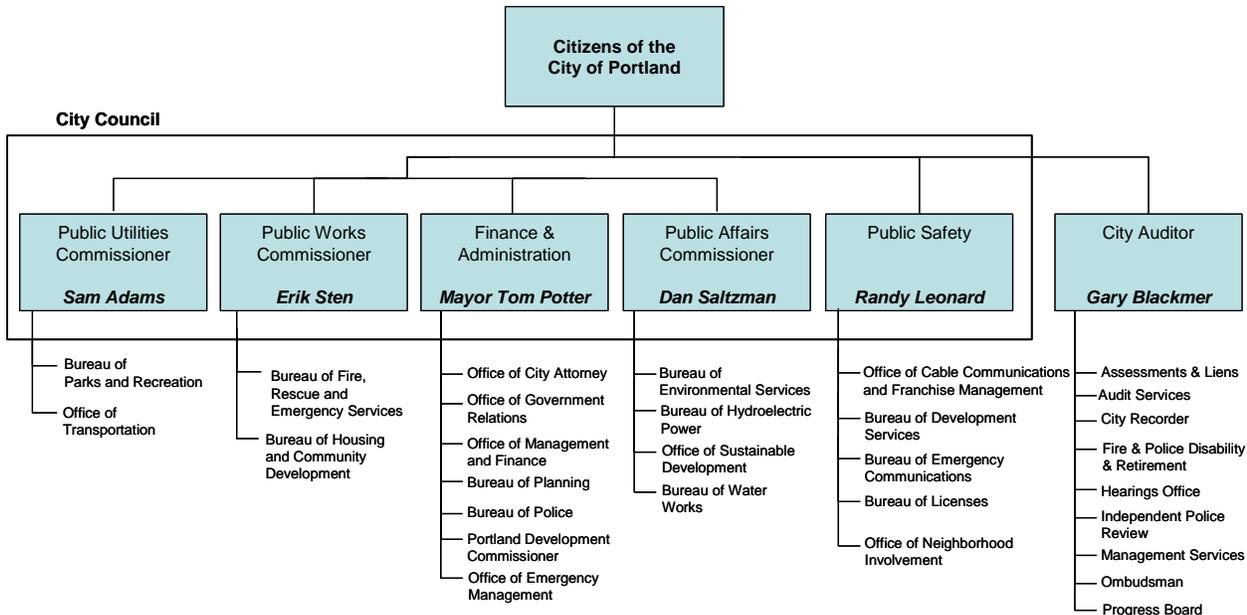
## II. ORGANIZATION AND MANAGEMENT

This chapter discusses the overall organization and management of Portland Fire & Rescue (PF&R), where appropriate recommendations are offered to improve the efficiency and/or effectiveness of the fire department.

### CITY GOVERNMENT

Portland has a commission form of government. The Mayor has an equal vote among four other Commissioners. His power derives from his ability to appoint the four commissioners to the various public service positions, which are open to the at-large elected commissioners. The Department of Public Works Commissioner is the Commissioner in charge of PF&R. The primary responsibilities of the Commissioner are to oversee development of PF&R's budget and act as the political liaison between the Mayor, community, and other elected commissioners. The Department of Public Works Commissioner does not get involved in day-to-day issues of the PF&R or personnel issues below the rank of Fire Chief. The system appears to work very well in the sense that it provides a political buffer for the Fire Chief. He and the other commissioners exert considerable influence over the running of PF&R, especially in the area of the budget. The City's organizational chart of is as follows:

Figure 2: City of Portland



The relationship between the Bureau, the Fire Chief, and the Public Works Commissioner is very good, as is the relationship between the Commissioner and the Portland Firefighters Association Local 43.

From a political and practical standpoint the Department of Public Works Commissioner is extremely supportive of the PF&R's efforts. He lets the Fire Chief do his job because this is a very well run bureau.

The relationship with the other commissioners that form the government structure is generally equally as supportive. There is however apparently some political jockeying that occurs between the various commissioners with regards to budgetary matters.

In the process of the Mayor's and commissioner's budget review and allocation of funds to the PF&R, many questions are raised requiring some understanding on how a fire department is run. This is typical of most jurisdictions we have studied. It is usually incumbent upon fire officials to constantly explain and justify the intricacies of the fire service and the funding needed to maintain basic fire services and firefighter safety. Sometimes it is hard lesson to import to elected officials, and consequently, the large portions of city budgets that fire departments represent are often the logical targets of these elected official's budgetary cuts. This ongoing process has lead to some of the funding cuts and reorganization of PF&R's resources over the past few years.

## **ORGANIZATIONAL CULTURE**

The organizational culture of the PF&R is one of the best and most positive that TriData has experienced.

It is an organizational culture that is quite adept at the empowerment of its employees both sworn and civilian. It encourages and fosters new ideas, and the TriData team was told many times during interviews that if an individual is willing to do the research and present a new idea that he or she will be heard.

Communication within the "Core Leadership Team" is also one of the best we have seen in all of our studies throughout the country. The Core Leadership Team is composed of five executive level positions and the Human Resources Coordinator (HRC). Two of the positions are civilian and the other four are uniformed members This level of communication permeates throughout the entire organization from top to bottom and there are mechanisms within the organizational structure to keep it working. The Core Leadership Team meets once a week the first three Wednesdays of every month. On the fourth Wednesday of every month, the Core Leadership Team meets with the entire executive staff, which includes all the Deputy Chiefs, Battalion Chiefs, and senior management staff.

During the course of our triage process we heard repeatedly from senior and mid level management staff that the PF&R was one of the best government agencies they have worked for and that attending these meetings was productive and fun. It was also intimated that these meetings were quite effective at keeping the information flow throughout the entire organization

viable. It was described as an effective mechanism to keep the rumor mill, so prevalent in all fire departments, in check and under control.

Another key communication mechanism in the Bureau is the use of a closed circuit television show once a month called the “Chief’s Corner” where the Fire Chief elucidates goals and initiatives of PF&R. During the show, the rank and file of the Bureau has the opportunity to call in real time and ask questions or make comments directly to the Chief. Finally, there is an open door policy that traverses all levels of the Bureau. It is manifested laterally among the Core Leadership Team but more importantly it permeates downward to all levels of the organization. It is an open door policy that is within reason. It is procedurally followed through the chain of command, but it is a palatable atmosphere that was communicated to the team by those we interviewed again and again.

As a result of the organizational culture and communication mechanism in place, decision-making in the Bureau is a collaborative process.

The labor-management relationship is equally one of the best we have seen. It too is a collaborative relationship that is inclusive in its decision-making process and is respect motivated and driven.

An example of the cooperation and communication that exists is manifested in the ability of both labor and management to collaborate on disciplinary issues. There have been several discussions in recent disciplinary cases where both entities worked out mutually-agreeable solutions within the parameters of the rules and regulations and disciplinary penalties.

## **CITIZEN EXPECTATIONS**

The citizens of Portland are well-served by an effective and efficient fire bureau. The citizens can take pride in the fact that they are served quite well. It is important, however, to view the citizen’s level of expectation and satisfaction with service, from different perspectives and when possible with backup data.

To that end, the City of Portland tracks citizen satisfaction via a yearly Service Efforts and Accomplishments (SEA) Report for all City services bureaus. Consistently, PF&R has had high level of “good” or “very good” ratings. In the year 2004–05, an average of 89 percent of all city quadrants surveyed found PF&R overall to be in the good to very good range. Interestingly, the citizen satisfaction extends into the business community, which is generally more skeptical of fire departments especially when they are the code enforcement entity for a jurisdiction (and one that charges inspection fees!). Eighty-one percent of businesses citywide approve of the services provided by PF&R. This performance is understandable. PF&R places a premium on service to its citizens in the form of customer service and satisfaction similar to the Phoenix, AZ, model. PF&R prides itself and emphasizes a unique commitment to the public, which is public service orientated. Additionally, PF&R is excellent at their citizen outreach. Over the years the SEA

Report has shown PF&R to be the top-rated agency according to the citizens surveyed. The Mayor and the City Council are fully aware of the citizen's support and the efficiency under which the Bureau is run. It is important to note that the FY04 SEA Report further states that: "for those who actually used fire or medical service (provided by the Bureau) satisfaction ratings were even higher averaging 95 percent..."

## **MISSION, VISION, AND PRINCIPLES**

The Mission, Vision, and Principles of the PF&R are closely adhered to and prominently displayed throughout PF&R. They are as follows:

### **"Our Mission**

The mission of Portland Fire & Rescue is to aggressively and safely protect life, property, and the environment by providing excellence in emergency services training and prevention.

### **Our Vision**

The community is safe from fire, injury and preventable emergencies because our responsiveness, leadership, quality services and partnerships.

### **Our Principles**

We save lives and property.

We set high standards for ourselves.

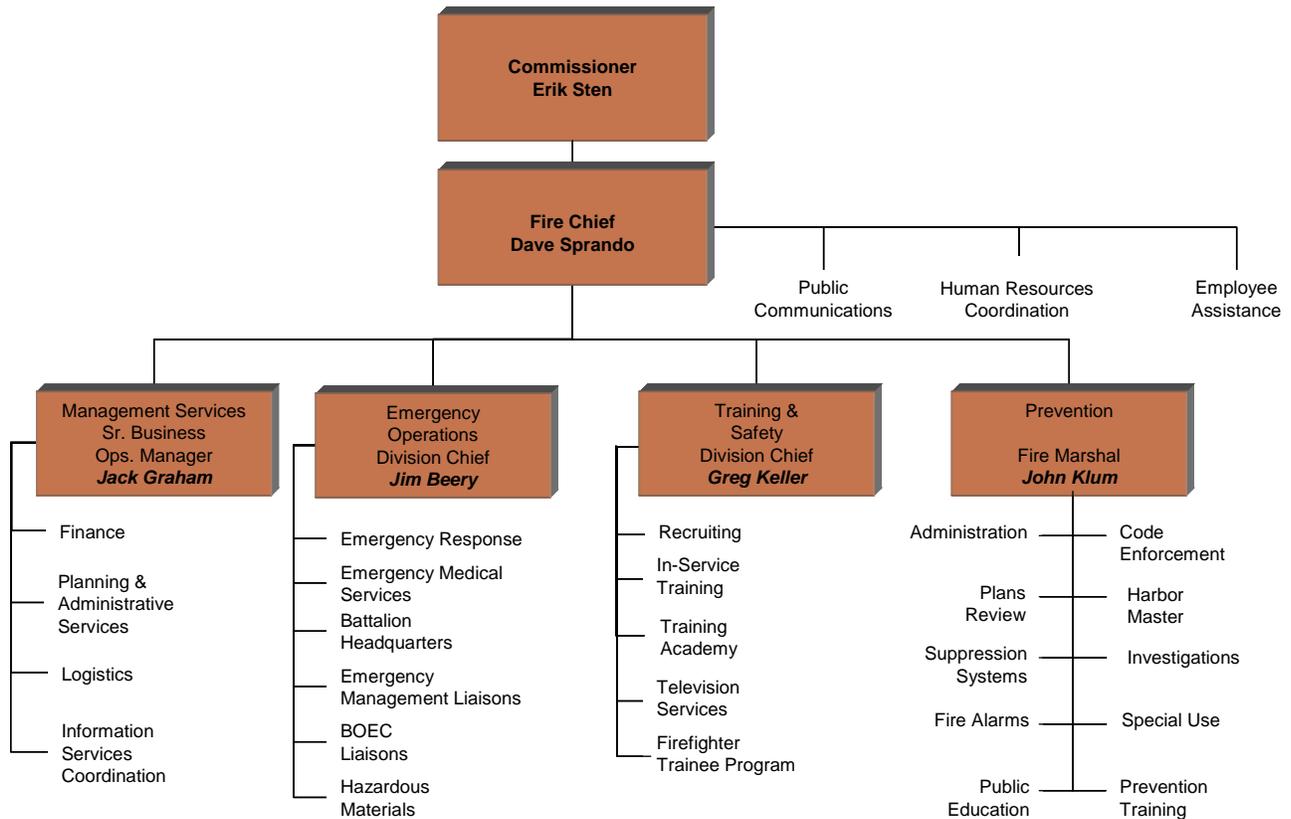
We are responsive to our customers."

PF&R embodies most of these overall conceptual goals. Some of these areas are still being striven for, but the commitment within PF&R and the way the organization operates and is structured exemplifies the dedication of its members.

## **INTERNAL ORGANIZATIONAL STRUCTURE**

**Current Structure** – The overall organizational and command structure for PF&R is complex, but appears to work well. The Core Leadership Team is composed of five executive level positions and the HRC. Two of the positions are civilian and the other four are uniformed. There are three positions attached directly to the Office of the Chief, two civilian and one uniformed (more on the office of the chief later in this chapter). As previously stated, the civilian staff and the uniformed staff work well with each other and the functionality and cooperation between the two appears to be virtually seamless. The organizational chart for the Core Leadership Team is shown in Figure 3.

**Figure 3: Portland Fire & Rescue Organizational Structure  
Core Leadership Team**



The Core Leadership Team’s span of control is large for an organization of this size, however, there are various levels of senior and middle management within the entire structure that make the functionality of the organization workable, and in fact generally effective and efficient.

There is a real effort by all within the Core Leadership Team to be open and transparent in the way they do business. PF&R considers itself to be a progressive fire department. They seem to be on the same page as far as budgetary issues and concerned and there appears to be a real collaborative decision-making process where positions or opinions may be different but are heard and weighed. The layers of administrative control have no glaring problems that need any major changes. There are, however, some functions that require some minor tweaking with regards to the human resources functions and management services. These will be discussed later in the chapter.

## OFFICE OF THE FIRE CHIEF

The Office of the Fire Chief is comprised of the Chief, a Director’s Executive Assistant, Public Communications, Human Resources Coordinator and coordination of the Employee Assistance program. All of these positions are directly answerable to the Fire Chief and provide

him with an important support net. None of the positions except the Public Information Officer (PIO) are union members (the PIO is a lieutenant), but it is evident the relationship between his immediate staff is exceedingly good and productive.

**Director's Executive Assistant** – The Director's Executive Assistant position for the Fire Chief's office is a traditional one. The person performs the normal duties associated with administrative and secretarial support for an executive-level position.

**Public Communications Section** – The Public Communications Section (PCS) provides emergency incident communication for the public and media, business partnership development, media liaison/relations, community outreach, public safety communications, public records request processing, comprehensive reports, narratives, briefings, grant writing and administration, and the Bureau affirmative action plan. Employees in this section answer directly to the Fire Chief, and the working relationship between the Public Communications Section and the Fire Chief is excellent

The Public Information Officer (PIO) attached to the PCS is a full-time position that is occupied by a lieutenant whose responsibility is to be the official spokesperson for the Bureau for on-scene crisis communication to the public. The goal of the office is to maintain and improve the image of the department. The PIO also performs the following ancillary functions:

- Fire Department Media Liaison
- Public Media Spokesperson
- Safety manager for media in on scene situations.
- Liaison between public and Core Leadership Team.

Five uniformed personnel, two of whom are firefighters and three are lieutenants provide back-up assistance to the PIO for on-scene crisis communication during weekends and evenings. These backups work in full-time positions outside of the Public Communications Section, and are strictly on a "stand by" basis; working a rotating schedule to provide weekend coverage.

**Human Resources** – The Human Resources function for the City of Portland is centralized within the Office of Management & Finance (OMF). Each Bureau is assigned a HRC who provides on-site consultation and assistance. The HRC is another integral part of the hierarchy of the Bureau. The Coordinator position, which answers directly to the Fire Chief, is also a participant in the weekly Core Leadership Team meetings. His inclusion into the Core Leadership Team was found to be necessary because of the position's involvement in all personnel matters affecting the agency. It is, therefore, entirely appropriate that the HRC be involved in the Core Leadership Team meetings for the purpose of discussing, reviewing and providing counsel on personnel matters such as Bureau liability, labor disputes, disciplinary actions, personnel legal parameters and planning issues. However, it is slightly unusual for the HR person for the Bureau to be attached directly to the Fire Chief and it is an area to explore in terms of moving the position to a more support-based administrative section of the organization.

***Recommendation 1: Consider moving the HRC to the Management Services Division (MSD).*** The movement of this function to MSD seems logical, and would shift the focus of HR into the more traditional realm of being a planning and administrative role. The HRC still could be part of the Core Leadership Team meetings.

***Diversity*** – One of the few areas of concern that were found in the organization as a whole was with regards to minority recruitment issues, one that the Bureau is trying very hard to address. Some personnel described the problem as “the dark side of the department”, or “the good ole boy network”. There were rumblings about past problems and their lingering affects in the areas of women and minority relations. There is repair that is still going on in this area and the HRC is at the forefront of this imbroglio.

The City of Portland, along with the Bureau, is fully committed to the concept of minority recruitment and changing cultural norms, and is to be commended on these efforts. There is an excellent recruitment program that encompasses a two-month program that targets women and minorities (see more on this in the Fire Operations chapter).

PF&R underwent a cultural assessment by an outside consultant in 2002. From this report, PF&R partnered with the Bureau of Human Resources (BHR) to develop a program for workforce development training, especially in the area of cultural diversity. Mandatory training for all employees occurred in 2004 and 2005. Recently, a facilitator helped PF&R evaluate the training. Together a strategy was developed for future training. This will include additional training being conducted by BHR over the next two years. The topics are Supervisor & Managerial training and Cultural Competent Management training. The Fire Chief has particularly emphasized his commitment to improving the bureau in this area.

***Recommendation 2: Explore the idea of using a City preferred candidate list.*** This would be a list of City residents who have passed the civil service test and live within the City limits. This list would have to be exhausted first through the normal testing requirements (interview, agility test, etc.) before the greater outside of the list would be considered. This would create a twofold benefit. There would be a greater opportunity to recruit a greater more concentrated pool of qualified minorities from the urban enclaves of the City (i.e., the northeast section of the City with its large African American community) and also tap into the potentially large qualified female pool of candidates within the City. It would also keep the tax base of City employees in the City and enhance housing and citizen retention within the City. It is a proactive City-promoting tool that could create incentives to increase the workforce diversity within the Bureau.

***Recommendation 3: Move the recruiting function out of the Training and Safety Division and place it directly under the HRC.*** While the relationship between the both the recruiter and the HRC and training division is good, organizationally the recruiter position should structurally and philosophically be answerable directly to the HRC. Given the sensitive nature of some of the issues surrounding recruitment, it seems more appropriate for the recruiter to have the HR connection versus the Training and Safety Division connection.

**Discipline** – PF&R utilizes progressive discipline, although the Bureau lacks a consistent way of conducting disciplinary hearings and the process lacks continuity. Discipline typically begins with a verbal or written warning and can progress to suspension, demotion, or termination. There are cited inconsistencies, and a lack of infrastructure to the process. There seems to also be an apparent need for more protocol in a system that was described as idiosyncratic.

While PF&R follows established disciplinary procedures (i.e., Standard Operating Guidelines), there appears to be a lack of training on how to apply the procedures and disciplinary actions. Newly promoted Lieutenants do not receive enough in-depth training in the proper use of the procedures. Additionally, HR has no input into the training. The result is that the personnel discipline piece is not a main focus of a very important part of first line supervision. Further, new officers (as well as seasoned officers) are not well grounded in the process. Coupled with the large span of control problem faced by the Battalion Chiefs, the discipline mechanisms are not well defined. This often results in a variety of responses for similar situations, and a lack of continuity. Officers also need to have more communication with and direction from the HRC. The HRC is involved in the process, but often in the late stages. Finally, the HRC needs to be more involved in the training phase of the all new officers.

**Recommendation 4: The HRC should become an integral part of newly promoted officer's training program.** It should as prominent a segment of their training regimen as any other important areas that their training covers.

Disciplinary issues may arise in PF&R as often as once a month, which is somewhat high for a Bureau of this size. Typically, for a disciplinary issue to not be handled at the station level and becomes a big enough infraction that it gets to the level of the HRC with such frequency is problematic.

Many of the deputy chiefs and battalion chiefs attribute many of the recurring disciplinary occurrences directly to the overwrought span of control that they face with the supervision and management challenges posed by overseeing as many as nine to 10 stations each.

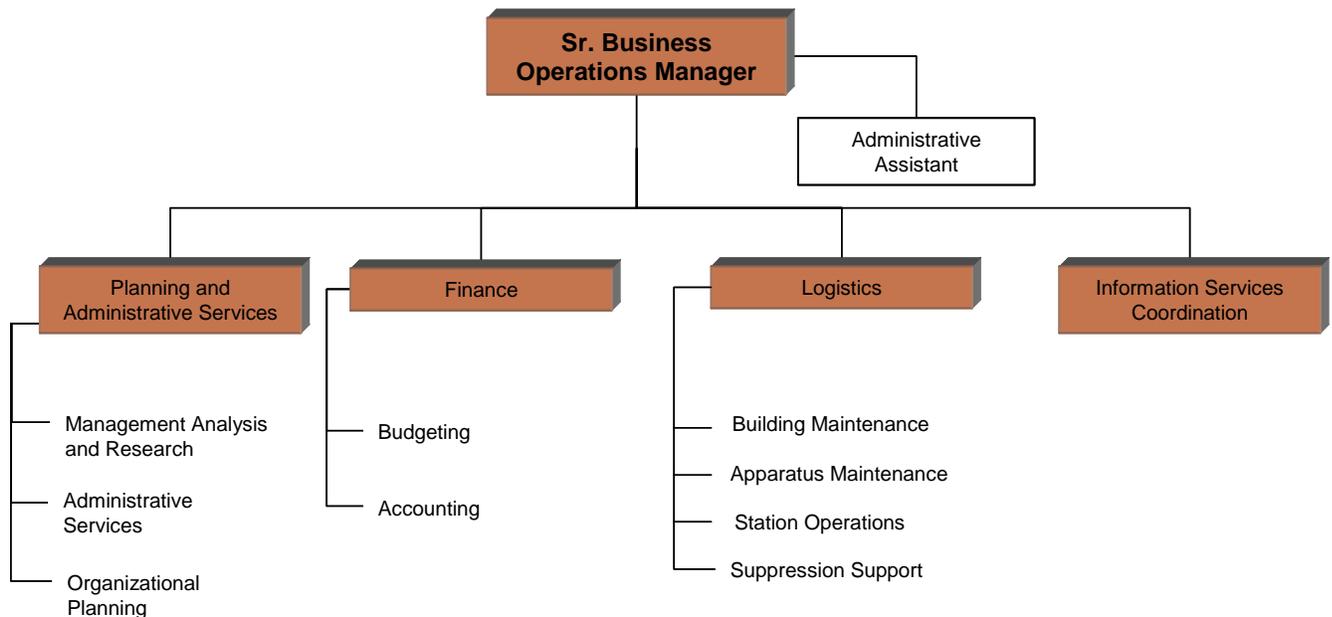
**Employee Assistance Program** – The Employee Assistance Program is a part-time position that has become increasingly important to the Bureau. It is a support system for PF&R and their families. Some of the issues that are dealt with are issues such as emotional and substance abuse problems. The goal of the program is to be a proactive, preventive program and not a crisis intervention program. PF&R and the Office of the Fire Chief are totally committed and supportive of the efforts of this position. There are 33 sworn members within the Bureau that are recruited, trained and supervised by the EAP coordinator, who act as peer supporters for the program.

**Recommendation 5: Transfer the EAP to the MSD (as part of the recommendation to incorporate the HR function within the MSD).**

**Division Chiefs** – There are two Division Chiefs and one Fire Marshal who is equal in rank to a division chief. These positions are the top echelon positions in the Bureau that answer directly to the Fire Chief. Under the current structure, they oversee three of the four divisions—Emergency Operations, Training and Safety, and Fire Prevention—that are essential to the running of the Bureau. As previously stated, there is a close working relationship with the Chief and all major decisions are made in concert at this level. The span of control for each of these divisions is quite large (this is especially true of the emergency operations division). There is, however, a sufficient level of mid-level management support in each division of dedicated and hardworking personnel. The organization is, however, quite lean and stretched and should not be cut any further.

**Management Services Division** – The Senior Business Operations Manager (SBOM) oversees all of the business related functions associated with PF&R. There are three essential sections within the division that are covered under this division. The organizational chart for the Management Services Division is shown in Figure 4.

**Figure 4: Management Services Division Organizational Chart**



The functions of the three primary areas are:

**Planning and Administration**

Strategic & Business Planning  
Standard of Coverage  
Deployment Planning and  
Analysis  
Accreditation  
IT Analysis, Support and  
Planning  
Statistical Analysis  
Ordinance Coordination  
Contracts & Agreements  
Telecommunications

**Finance**

Budget  
Accounting  
Training and Procurement  
Contract Costing  
OMF Liaison  
Grant Tracking  
Financial Projections

**Logistics**

Apparatus/Fleet Maintenance and  
Procurement  
PPE Maintenance and  
Procurement  
Facilities Maintenance  
SCBA Maintenance  
Fire Fighting Equipment  
Maintenance & Procurement

Each of these sections is headed by management-level personnel. Two of the positions are held by civilian personnel. The Logistics section is headed by a uniformed deputy chief. All of these positions report directly to the SBOM and have a uniformed deputy chief reporting to a civilian manager is to a degree unusual but has worked well for the Bureau. Part of the reason the arrangement has worked is because of the marriage of financial management and Logistics. There is a reason the apparatus, stations and personal protective equipment are so well maintained, and part of that is due to the fiscal accountability that has Logistics under the MSD. Having Logistics in MSD, coupled with the dedication and pride of the personnel contributes to its success.

***Recommendation 6: Maintain the current organizational structure that includes logistics under the auspices of MSD.***

**Deputy Chiefs** – There are six deputy chiefs in the Bureau who are at the first level of middle management. Three emergency response deputy chiefs work 24/7 on shifts and are the shift administrators for the three-battalion system. These are the major divisions reporting to the Division Chief of Operations. They are very busy positions crucial to the running of emergency operations. The working relationship between the deputy chiefs and the division chief appears to be positive and productive. There is a large span of control for deputy chiefs and they are a key component of the administrative oversight within the complicated battalion system.

Because of the large complex nature of the battalion system, the deputy chiefs should continue the administrative shift oversight role and no changes should be made other than moving of time and attendance duties to MSD.

***Recommendation 7: Continue to utilize Deputy Chiefs for emergency response.*** This is an effective form of administrative oversight. With the number of battalion chief's and their transitory nature across district lines, it is important to have the coordination the Deputy Chief

provides. Additionally, the Deputy Chief is stationed at headquarters and has a viable communicative link to the upper management Core Leadership Team, which translates down to his battalion chiefs. The system works well and should be continued.

The other three deputy chiefs provide specific management level supervision for specific sections within certain divisions. There is a Deputy Chief for prevention, Logistics and emergency medical services (EMS). Because of the importance and breadth of these sections, it is entirely appropriate that they are managed in their current manner and no changes should be considered at this time.

**Battalion Chief** – The Battalion Chiefs play a pivotal role in many aspects of the Bureau. Primarily, they run the operations and programs within divisions that are the backbone of PF&R. They are essential for the Bureau’s success, especially in the emergency operations division. Both the Deputy Chief and Division Chief of Emergency Operations must rely heavily on them on the operations side to handle everything from scheduling shifts to incident command.

PF&R has a unique system for staffing shifts. There are four persons assigned to each unit with the remaining personnel assigned to a “traveler’s pool” and “Kelly pool”. The traveling pool works to cover for those on vacation, sick leave, training, etc., while the Kelly pool works a regular rotation to cover the Kelly days each firefighter gets. The system is extremely cumbersome and time consuming for staffing. During the week, Bureau headquarters (BHQ) staff managed by the on-duty Deputy Chief schedules staffing. A weekday headquarter-assigned staff, managed by a Battalion Chief schedules staffing during the week while the shift Battalion Chief’s and Deputy Chief do it on weekends, holidays, and after regular hours.

**Recommendation 8: Determine the staffing factor and assign personnel according to the staffing needs of each battalion.** Automate the time and attendance reporting system and have Battalion Chief/Deputy Chief staff their individual districts. (A staffing factor is a number used to determine the appropriate level of staffing based on average hours worked, amount of vacation, holidays, sick time, and other miscellaneous leave. How to compute staffing factors is shown in the Fire Operations chapter as part of the deployment analysis.)

Emergency response Deputy Chiefs oversee the four-district (three operational and one administrative) fire operational structure. In addition they are the direct managers and administrative heads of Bureau headquarters. Battalion Chiefs run the shift of the other three fire response districts. Each Battalion Chief has nine to 10 stations that fall under his/her purview. This translates into about 50 personnel assigned to each Battalion Chief. This is a large and unwieldy span of control. Six to eight stations is a more appropriate span of control according to industry standards.

The concomitant duties associated with the position make the span of control unacceptable. Discipline problems for instance are exacerbated because battalion chiefs are taking care of so many stations in addition to the completion of company evaluations, station inspections, and other accompanying documentation related to staffing, etc.

***Recommendation 9: Consider increasing the Emergency Response Districts by one in order to reduce the spans of control currently in place.*** A decision may need to be made by both PF&R and the City Council. By adding a new battalion the span of control for a Battalion Chief will be more in line with industry standards and create a more efficient management structure. They also can respond more quickly, as will be discussed in the Fire Operations chapter.

## PROPOSED ORGANIZATIONAL STRUCTURE

The Bureau overall is a well-run organization. It is also a complex structure that is basically sound with the proper mix of management level positions, which are given the autonomy to do their jobs, and that is part of the reason for the success of the Bureau's organizational performance.

There are, however, some areas that should be shifted organizationally to create efficiencies and improve effectiveness. These proposed shifts also reflect operational changes that the team – through collective observations – deems more appropriate for PF&R.

***Emergency Management*** – The Portland Office of Emergency Management (POEM) reports directly to the Mayor. POEM is currently without a permanent Director. The Mayor has temporarily assigned the Fire Chief as the interim Director of POEM until a new civilian Director can be recruited. A Deputy Chief has also been assigned as the interim Manager of POEM until the recruitment process is complete. A more optimal solution is to keep the POEM under PF&R with an attaché position reporting directly to the Mayor.

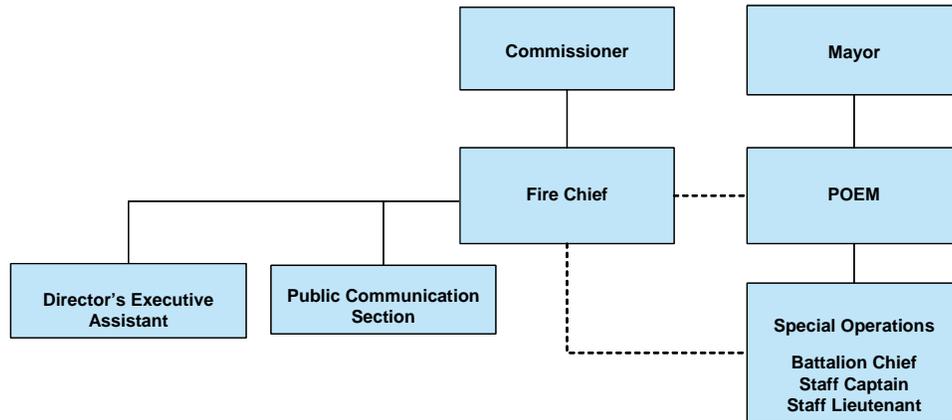
It makes sense to keep emergency management as part of the Fire Bureau for several reasons. Nationally, the fire service trains and regularly uses the incident command system for all types of emergencies. This system has been adopted by the fire service for many years. Additionally, PF&R arguably responds to many emergencies (more than most other departments in Portland), and will be the first responder to all major events, along the police department. Such experience will help to maintain and improve POEM's efficiency and effectiveness in planning and responding to emergencies. Therefore, POEM should inexorably be tied to PF&R.

It is extremely important however in a City such as Portland, which has a substantial amount of potential risks (described in detail later in the report), that the City Council adequately fund such a crucial function. The importance of EM in Portland requires a budget specifically earmarked for that function, and one that is appropriately funded and in addition to the current PF&R budget, for this concept to work. . It also requires a top notch Emergency Manager who can work well with all of the entities within City government and PF&R. Finally the City needs to understand the importance of a strong qualified Emergency Manager with compensation to match the concomitant complexities of the duties associated with such an important post.

The City is in the process of hiring a new emergency management (EM) Director, but in the interim a Deputy Chief from the Bureau is overseeing the operation. PF&R and the Portland

Police Bureau should continue to provide most of the day-to-day support and direction for overall operations for EM once the new Emergency Manager is hired. Based on our earlier recommendation to move HR function to MSD, we propose the following structural change to the Office of the Chief.

**Figure 5: Proposed Organizational Structure**

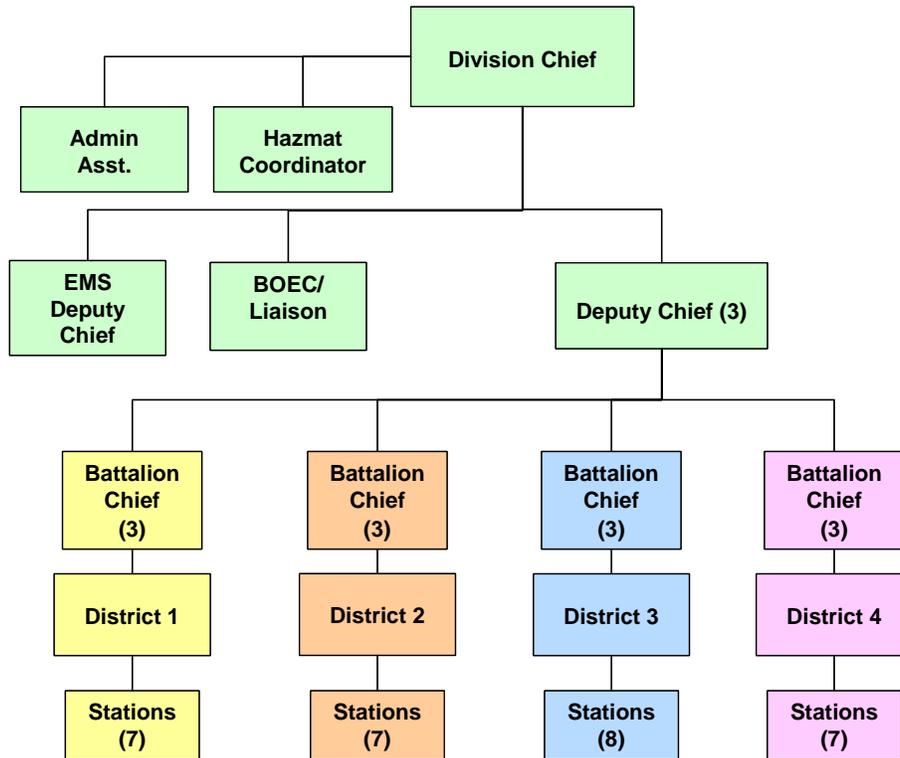


It should be noted that the proposed chart moves the function of Special Operations along with the Battalion Chief assigned to that function to become directly answerable to POEM and the Emergency Manager (EM) (also see Fire Operations, Chapter VI). In our estimation, it is extremely important that the function of special operations be close to office of emergency management because of the nature of the risks associated with a city like Portland. However, this can be accomplished with very little loss of continuity by transferring the emergency liaison function into the special operations slot under the auspices of POEM. The current Staff Captain and Staff Lieutenant could also easily transition into the function as advisors and facilitators answerable directly to the Special Operations Battalion Chief and ultimately to EM.

**Recommendation 10:** *PF&R should consider moving the Battalion Chief position for Special Operations along with the Staff Captain and Staff Lieutenant into the proposed Special Operation Organizational Configuration under POEM.* The Battalion Chief would answer directly to the EM of POEM, and also become the liaison between the Office of the Fire Chief and the Mayor. He/she will also provide supervision to the staff officers with their expertise in emergency management. This proposed configuration will provide the necessary continuity and connection between POEM and the Fire bureau.

**Emergency Operations** – Due to the unwieldy span of control previously mentioned (and expanded upon in the Fire Operations chapter), we further recommend the addition of a fourth battalion. The proposed changes will translate into the following proposed Organizational Chart (Figure 6) for the Emergency Operations division.

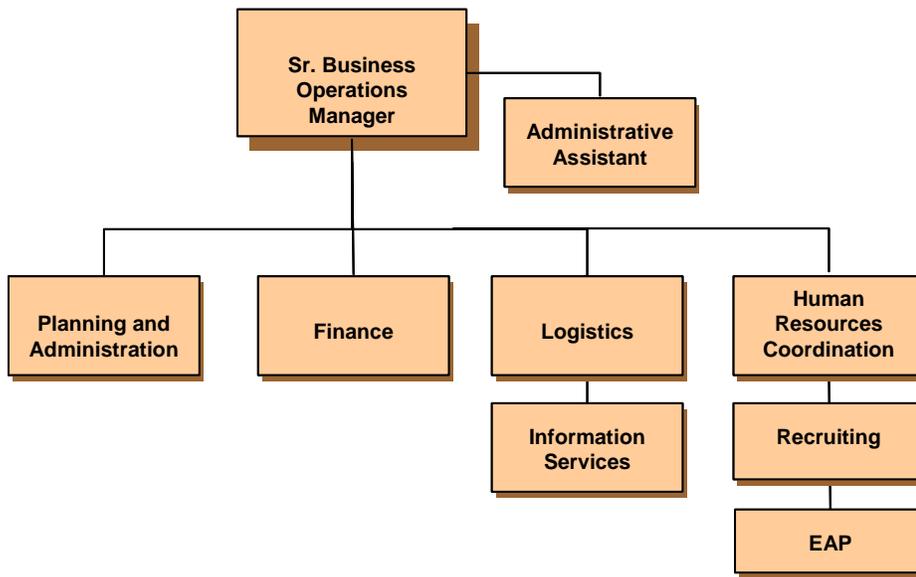
**Figure 6: Proposed Emergency Operations Division**



**Management Services Division** – There are excellent working relations between the Fire Bureau side and the business side of the department. This working relationship is reflected in the fact that the PF&R has the best managed budget of the City agencies. Throughout our entire triage assessment, there was only one instance where anyone on the management level complained about any disparity between sworn and non-sworn personnel. That is a rare occurrence in TriData’s experience with conducting fire department studies, and is a tribute to the Bureau’s success.

As previously discussed in this chapter, there are opportunities to revise the organizational structure to improve efficiency, effectiveness, and communication. Previous recommendations include moving HRC to the Management Services Division. The HRC should still be an integral part of the Core Leadership Team weekly meetings and the team is not proposing that that arrangement change. Information Services is physically housed in the same building (physical structure) as the logistics bureau; the move to this bureau is no real significant shift at all. The following is the proposed organizational chart for the MSD.

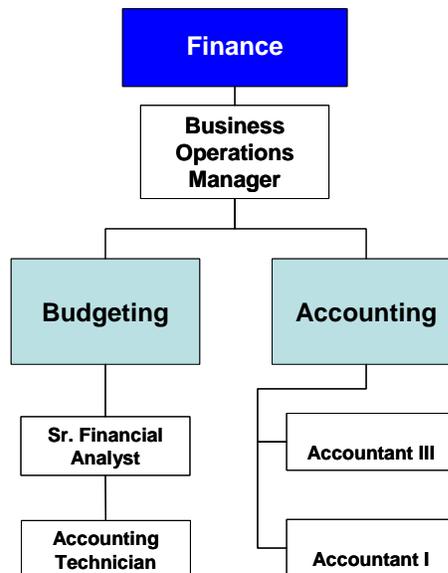
**Figure 7: Proposed Organizational Chart for the Management Service Division (MSD)**



## BUDGETING AND FINANCE

The Finance section of the Management Services Division is responsible for all the Bureau’s financial activities, including accounts receivable and payable, the development of the annual budget and capital improvement plan requests, projections of the year-end budget balance, and cost analysis and financial reports. As shown in Figure 8, this section is organized into two units: budget and accounting.

**Figure 8: Budgeting and Finance**



For the past four fiscal years, the staffing and the budget for the Finance section have remained fairly stable. Table 4 shows the section’s budget and FTEs for the past four fiscal years.

**Table 4: Finance Section Budget and FTEs**

Year	Section Budget	Section FTEs	Bureau Budget	% of Bureau Budget	Bureau FTEs	% of Bureau FTEs
FY05–06	\$408,185	5	\$73,220,759	0.6%	699.53	0.7%
FY04–05	\$384,570	5	\$69,516,607	0.6%	700.00	0.7%
FY03–04	\$392,048	5	\$69,110,526	0.6%	701.00	0.7%
FY02–03	\$383,411	5	\$66,821,036	0.6%	710.00	0.7%

Based on interviews with Management Services Division management, the current organizational responsibilities and staffing are functioning at capacity. The Bureau’s Senior Business Operations Manager, Business Operations Manager and the Senior Financial Analyst are responsible for the Bureau’s budget process and internal financial monitoring, while three accounting staff works on accounts payable, purchasing, petty cash, and financial system reports. Other major financial responsibilities for the Bureau have been assigned to other divisions, and during the interviews, there was some discussion that Finance and the Management Services Division should be responsible for all the Bureau’s financial activities.

In the past, the Finance section had additional responsibilities involving payroll and accounts receivable, but Finance does not have the responsibility anymore for these two financial activities: Bureau payroll and Fire Prevention accounts receivable and collections for code enforcement. These two functions are now the responsibility of the Emergency Operations and Fire Prevention Divisions, respectively.

The Bureau-wide payroll function is combined with the time and attendance function for the Emergency Operations division. The BHQ’s Administrative Assistant is responsible for the payroll function and also assists the BHQ’s Staff Captain in creating the roll call for the stations and prepares EOPS time and attendance data that is used to establish the payroll. The roll call information is part of the Bureau’s Journal system that is electronically transferred to the Bureau’s payroll system. For the other Bureau Divisions, time and attendance sheets are sent to BHQ Administrative Assistant where the information is manually input into the payroll system. The BHQ Administrative Assistant spends about 1.5 days every two weeks inputting data into the Bureau’s Payroll system. The Administrative Assistant has limited contact with the Finance section and has more contact with the City of Portland Human Resources, which is responsible for updating the pay rates used for calculating the payroll. At one point, someone from the MSD section, not the Emergency Operations Division, input the 40-hour employee’s data in the Payroll system, which required a minimal amount of staff time.

The Fire Prevention Division is responsible for handling its own accounts receivable and cash receipting for its code enforcement program involving inspections and permits. Prior to 2001, this function was the responsibility of Finance, but after reviewing the Bureau's support services in 2001, a consultant recommended transferring this responsibility from Finance to Fire Prevention. The consultant believed that systems needed to be enhanced with regard to the accuracy of information for customer billing, including addresses and location grid, and needed to be more effective for enforcing and tracking delinquent collections. Another reason for the transfer was also to decrease the overtime that was required by the Accounting Technician position. An additional .5 FTE was also recommended to support the Division's activities. The Accounting Technician prepares invoices, processes payments, provides customer service over the telephone and in the office, deals with delinquent accounts, and works with a collection agency. She primarily works with her direct supervisor and has limited contact with Finance. Finance remains in the process as an internal control to make sure that bank deposits are reconciled with the bank statement.

***Recommendation 10: Maintain the current systems employed for handling payroll, accounts receivable, and collections in their respective divisions.*** Because the Finance section is currently operating at capacity and because the existing organizations, the Emergency Operations and Fire Prevention Divisions, appear to be capable of handling the payroll and accounts receivable and collections functions, there appears to be no compelling reason to shift responsibility for these two functions back to Finance. The Emergency Operations Division employee responsible for processing the Bureau payroll has additional divisional responsibilities not directly related to processing the payroll, and if a change were made, Finance would probably have to use its limited resources to process the Bureau payroll.

For Fire Prevention's accounts receivable and collections functions, the change in responsibility was based on several issues that involved improving support for an enhanced fire prevention program and reducing the overtime for the accounting staff. The original rationale for making a change appears appropriate, and there appears to be no major issues requiring a change in responsibility. The Bureau should, however, determine if the reasons and issues for the responsibility change have been addressed and resolved.

Although Finance does not have direct responsibility for the Bureau payroll and the Fire Prevention accounts receivable and collections, it is the unit that has the Bureau's financial expertise and that is probably recognized by the City's financial units as the Bureau's contact on financial issues. Because of its expertise, Finance does have an indirect role to assure that the financial practices being followed in these other divisions meet City guidelines and governmental accounting and financial standards.

## **PLANNING AND ADMINISTRATIVE SERVICES**

In keeping with the overall organizational culture and efficiency inherent in the Bureau organization, Planning and Administrative Services (PAS) is a very well run section within

PF&R. It is responsible for the majority of planning initiatives that the Bureau undertakes, and uses a sophisticated data analysis mechanism to back up its findings. The comprehensiveness of their efforts shows in the number of internal studies, benchmarks and statistical reports produced by the section in conjunction with the input and direction set by the Core Leadership Team. As shown in Figure 9, the section is organized into three units:

**Figure 9. Planning and Administrative Services (PAS)**



The duties that are tasked to the PAS are generally data analysis based and encompass the following areas of expertise:

- Data Analysis and Trending
- Coordination of IT projects (see IT chapter for more details)
- GIS analysis
- Telecommunications (i.e., pagers, department telephones, cell phones, landlines)
- Deployment Planning & Analysis
- CFAI Accreditation
- Five-Year Strategic Plan
- Annual Business Plan
- Benchmarking
- Performance Measurement
- Website Management
- Internship Program and Temporary Hires
- Contracts, Ordinances, and Mutual Aid Agreements

The section prides itself in providing the impetus for innovative projects, and the upper echelon of the Bureau encourages and works with the PAS to assiduously achieve improvements in city services, customer service and organizational management. This section also creates, monitors, and maintains all of the contracts entered into with PF&R. This includes the contracts and coordination of audits and mutual aid contracts. In terms of the mutual aid contracts, this is no small feat, because the contracts are complex and well-executed. This is especially true of the mutual aid contract with Gresham, which splits the occupation and emergency coverage of Station 45 between PF&R and the Gresham Fire Department (GFD) throughout the year, with PF&R in the station seven months, and GFD five months. (See more on this in the Fire Operations chapter.) Finally, the PAS maintains PF&R's website and works on its ongoing development.

We see no reason to change or tinker with the way the PAS section operates. It is a positive and unique organizational system within PF&R that we do not regularly see in departments across the country. In many ways, it is a section that is on the cutting edge of fire management. One of the reasons it works so well is the symbiotic relationship the office has with the hierarchy of the Bureau and the cooperation therein. It was pointed out to us during the triage process that there is no us/them mentality in the way that the uniform and non-sworn entities work together and this is the basis for the effectiveness of the unit.