

# 2013 California Fire Assistance Agreement Rates and Reimbursement Workshop



# Purpose

- Assist local government fire agencies in developing accurate rates
- Provide an understanding of expectations on MOU/Contract Language, etc.
- Support successful implementation of existing language and changes for 2013



# Agenda

## ➤ **Exhibit A**

- CFAA intent
- Rate Letter and Salary Survey
- Overview and changes to CFAA Exhibits for 2013
- Actual Admin Rate Due Date
- 12 Hour Free Period

# Agenda cont.

- **Exhibit A cont.**
  - Formula for Base Rates
  - Formula and process for Civilians
  - Addition of Rental Vehicles
  - Travel Expenses
  - System for Award Management (SAM)

# Agenda cont.

- **Exhibit A cont.**
  - Exhibit “B” updates (Typing)
  - Exhibit “C” updates (subordinate Req #)
  - Exhibit “D” updates (narrow band radios)
  - Exhibit “G” updates (length of assignment)

# Agenda cont.

- **Exhibit A cont.**
  - Addition of Exhibit “H” (Expense process)
  - MOU/Contract Language
  - Average Actual Rate Calculations

# The CFAA

## ➤ Intent

“It is the intent of the signatories to the CFAA to compensate California Fire and Rescue Mutual Aid System Agencies for the cost of assisting the State of California and the Federal Fire Agencies. The rates, methodologies, and formulas in the agreement are intended to provide for such costs. The compensation shall be consistent with the California Fire and Rescue Mutual Aid System Agency’s normal internal business practices and any existing MOU/MOA or governing body resolution, which supports those business practices.” (pg. A-1)

# Overview and Changes to CFAA

## ➤ **2013 Rate Letter and Salary Survey**

On April 2, 2013, the annual rate letter was published and mailed along with your latest rates on file as a courtesy.

Rates along with any MOU's have to be on file at the time of dispatch. (pg. A-3, clause A-1)

You may submit rates at any time there is a change or update(s) to your MOU.



# Overview and Changes to CFAA

## ➤ **Actual Admin Rate Update Requirement**

Local agencies that develop an Actual Administrative Rate must review and update their rate by the date set annually by the committee.

The date will be listed in the Annual Rate Letter (**July 1, 2013**). (pg. A-2)

If the rate is not updated by the required date, it will default back to the current base Administrative Rate. (2013 rate is 10%)

# Overview and Changes to CFAA

- **Removal of reference to Structure Protection and replaced with Structure Defense.**

## **Structure Defense:**

The protection of homes or other structures from wildland fire before the fire reaches the structure; exterior fire protection measures.

# Overview and Changes to CFAA

## ➤ **Bureau of Indian Affairs (BIA) 12 Hour Free Period Exception**

The 12 hour free period is no longer applicable to BIA. BIA will reimburse for assistance by hire from time of dispatch due to the lack of BIA resources to participate in reciprocal mutual aid.

(page A-2)

# Overview and Changes to CFAA

## ➤ **Formula for Base Rate**

**Base rate formula for Engine Company personnel and Overhead at or below Strike Team/Task Force Leader Trainee**

$(AD-F(0.667) + \text{CAL FIRE Fire Apparatus Engineer base rate}) / 2$

Numerical Calculation Example:  $23.04 \times 0.667 = 15.37 + 16.68 = 32.05 / 2 = 16.02$  (pg. A-4, clause A-8)

**Base rate formula for Overhead at or above Strike Team Leader/Task Force Leader**

$(AD-H(0.667) + \text{CAL FIRE Fire Captain base rate}) / 2$

Numerical Calculation Example:  $28.16 \times 0.667 = 18.78 + 20.36 = 39.14 / 2 = 19.57$  (pg. A-4, clause A-8)

# Overview and Changes to CFAA

## ➤ **Fire vs. Civilian – portal to portal or actual hours worked**

Personnel who routinely respond to emergencies will be reimbursed portal to portal for time committed to the incident – Chief Officers, Company Officers, and Firefighters. (pg. A-3, clause A-2)

All other personnel (civilian) will be reimbursed for actual time worked on an incident.

# Overview and Changes to CFAA

## ➤ Formula for Civilians

$$[(((A \times H) BR^{st}) + ((A \times H) W) + ((A \times H) U)) + (((A \times 1.5) H) BR^{ot}) + (((A \times 1.5)H)W) + (((A \times 1.5)H)U))] = \text{Total Civilian personnel reimbursement in dollars where } A = \text{average actual straight time hourly pay; } H = \text{hours on incident broken out by number of hours applicable for straight time (or up to } 8^* \text{ hours) and overtime (hours in excess of } 8^*); BR^{st} = \text{benefit rate for a straight time hour excluding workman's compensation rate and unemployment rates; } BR^{ot} = \text{benefit rate for an overtime hour. Benefits related to overtime are those paid by the home agency for every overtime hour worked, benefits may include Medicare, social security and other incentive or specialty pay earned when a person works overtime. (*or regularly scheduled day.) (pg. A-6, clause A-9.3)}$$

# Overview and Changes to CFAA

## ➤ **Civilian Emergency Activity Record (F-78)**

Civilians are required to complete the Shift Emergency Activity Record, Form F-78. This records the actual hours worked for civilians.

(pg. A-11 & A-12, clause A-30 – A-31)

# Overview and Changes to CFAA

## ➤ **Civilian Backfill**

If an agency backfills behind deployed resources as part of their normal business practices, the agency may submit backfill personnel cost in the same manner as the civilian formula outlines.

Prior to dispatch, the home agency shall submit a list of positions and rates subject to backfill. The responding agency will attempt to have ROSS annotated to reflect the presence of backfill.

(pg. 7, Clause A-9.3)



# Overview and Changes to CFAA

- **Civilians with an MOU/Policy that includes portal to portal and approved by the CFAA committee**

Will average their rates according to the average actual formula for uniform ranking personnel and not the formula created for Civilians and their backfill.

(pg. A-5, clause A9-A9.2)

Complete an F-42 on the incident and not a F-78.

# Overview and Changes to CFAA

## ➤ **Support Equipment, Privately-Owned Vehicles, and Rental Vehicles**

Rental vehicles and the fuel use associated with the rental vehicles will be reimbursed for actual costs incurred by the California Fire and Rescue Mutual Aid System Agencies.

(pg. A-9 & A-10, clause A-20 – A-24)

# Overview and Changes to CFAA

## ➤ **Support Equipment, Privately-Owned Vehicles, and Rental Vehicles (cont.)**

Authorized Rental Vehicles: The dispatch/mobilization centers for Federal Fire Agencies signatory to this agreement will make arrangements for rental vehicles on Federal Fire Agency incidents. Renting vehicles from an airport is discouraged and the use of economy cars is encouraged. (pg. A-9 & A-10, clause A-20 – A-24)

# Overview and Changes to CFAA

## ➤ **System for Award Management (SAM)**

Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS.

If you were registered in CCR and ORCA, your agency information is already in SAM. You just need to set up a SAM account and migrate your CCR roles.

There is NO fee to register ([www.sam.gov](http://www.sam.gov))  
(Pg. A-13, clause A-39)

# Overview and Changes to CFAA

## ➤ **Exhibit B – Typing Update**

Now identifies the minimum standards that California Fire and Rescue Mutual Aid System Agencies should follow with regard to their use of **not only** Type 3's but Type 3 through 7 engines, equipment, personnel and training standards . (pg. B-1 – B-4)

# Overview and Changes to CFAA

## ➤ **Exhibit C – Personnel Rotation Update**

Personnel under this agreement are to be available a minimum of seven (7) days excluding travel (portal to portal) before needing replacement, regardless of the number of assignments.

The personnel rotation and transportation plan must be coordinated through the incident, the ordering point, agency representative, and/or the overhead responsible for the personnel to be rotated.

(pg. A-10, A-27)

# Overview and Changes to CFAA

## ➤ **Exhibit C – Personnel Rotation Update cont.**

Approved personnel rotation will be documented in the automated resource ordering and status system of record (ROSS) including:

- Date and time of approval for the specific personnel rotation.
- Names of incoming and outgoing personnel, with identification of home units.
- Method, date and time of transportation of both incoming and outgoing personnel.
- A new subordinate request to the existing “E” number will be generated by the incident when a separate vehicle will be used in support of a crew rotation.

# Overview and Changes to CFAA

## ➤ **Exhibit D – Communication Capabilities Update (Use of Narrow Band Radios)**

On January 1, 2013, all public safety and business industrial land mobile radio systems operating in the 150-512 MHz radio bands must cease operating using 25 kHz efficiency technology, and begin operating using at least 12.5 kHz efficiency technology. (pg. D-1)



# Overview and Changes to CFAA

## ➤ **Exhibit G – Federal Interstate Agreement**

Procedures and reimbursement provisions of personnel and local government-owned emergency apparatus ordered for use on Federal incidents outside the State of California.

Federal Policy states standard assignment length is 14 days, exclusive of travel from and to home unit. Time spent in staging and preposition status counts toward the 14 day limit, regardless of pay status, for all personnel, including Incident Management Teams (IMT).  
(pg. G-1)

# Overview and Changes to CFAA

## ➤ **Exhibit H – In State Travel and Incident Related Expenses**

Identifies allowable costs and the process for submitting such cost.

Primarily pertains to cost associated with fuel, food, vehicle and lodging. (pg. H-1 – H-3)

# Overview and Changes to CFAA

## ➤ **Exhibit H – In State Travel and Incident Related Expenses cont.**

Travel arrangements and reimbursement including travel for relieving personnel and backfill will only be made from the fire dept/ agency location or residence whichever is closest to the incident or reporting location.

(pg. H-1 – H-3)

## Chief Officer MOU

Above the Battalion Chief level will be reimbursed straight time portal to portal using the average actual formula unless the employee(s) has a MOU or governing body resolution that dictates they are to be paid above straight time. The MOU or resolution must not be contingent on the CFAA or local co-op agreement, executed on the sole basis of federal or state reimbursement.

# MOU/Contract Language

- Review process by Cal EMA
- Examples of language that does not meet the intent
- When the MOU expires

# Administrative Rate Effective Date

- The base Administrative Rate will be set utilizing the OMB Circular A-87, appendix A methodology.
- This rate (10%) will be reviewed and set annually by the committee per the annual rate letter published by Cal EMA Fire and Rescue Division.
- You may choose to utilize an agency specific administrative rate in accordance with the actual administrative rate process and instructions. Please submit this rate via your respective salary survey

# Administrative Rate Definitions

## “Expenses”

- Labor – include all salaries and benefits
- Services and Supplies – services and supplies include consumable items with a useful life of less than one year.
- Minor Equipment – items with a useful life greater than one year and less than \$5,000 per unit cost
- Fixed Assets – items with a per unit cost of \$5,000 or more

# Administrative Rate Definitions (cont)

## **“Cost Characteristics”**

- Allowable – costs included in the computation of the indirect/administrative cost rate
- Unallowable – costs excluded from the computation (see OMB Cir A-87 Appendix B)

[http://www.whitehouse.gov/omb/circulars\\_default](http://www.whitehouse.gov/omb/circulars_default)



# Administrative Rate Definitions (cont)

## “Allowable Cost Categories”

- Direct – costs identified specifically with agency’s DIRECT operations or costs that can be identified specifically with a particular final cost objective
  - Use Table – DO NOT DEVIATE
- Indirect – expenses not identified with operations but rather administrative or supporting costs
  - Use Table – DO NOT DEVIATE
- Descriptions and definitions of Programs that are allocated to Direct and Indirect cost pools are included in instructions from Cal EMA

# Administrative Rate Definitions

<b>Cost Categories *</b>	<b>Indirect</b>	<b>Direct</b>	<b>Unallowable</b>
Emergency Medical Services	x	x	
General Administration	x		Costs of Lobbyists, City Council Members, Board of Supervisors, Board of Director
Information Technology	x		
Logistics/Procurement/Supply/ Minor Fire Equipment	x		
Public Information Office	x		
Telecommunications	x		
Arson Investigation		x	
Community Education		x	
Facilities		x	
Fire Communication Center/Dispatch/ Command and		x	
Fire Hazard Reduction Program		x	
Fleet		x	Costs of Fixed Asset Purchases, Replacements and Depreciation.
Hazardous Materials Response Program		x	
Mapping		x	
Operations		x	
Prevention		x	
Training		x	
Urban Search and Rescue		x	

\* Cost categories include salaries and benefits, services and supplies and minor equipment.

# Administrative Rate Calculations

- USE TEMPLATE PROVIDED
  - <http://www.calema.ca.gov/FireandRescue/Pages/Reimbursement.aspx>
  - “Actual Administrative Rate Calculation Sheet”
- Insert prior year actual departmental indirect and direct costs into Template (referred to as “prior prior actual”)
- Not all categories of direct and indirect costs will follow your normal practice; however, this was an equitable, reasonable, and defensible approach and shall not be changed.

## Administrative Rate Calculations cont.

- Divide the sum of the allowable indirect costs into the allowable direct costs to generate indirect/administrative percentage
- $\text{Indirect costs/direct costs} = \text{indirect cost rate \%}$

# Calculating Indirect Cost Rate Proposal For 2011

$$\begin{array}{l} \text{Indirect Cost Rate} \\ \text{Proposal} \end{array} = \frac{\text{Allowable Indirect Costs}}{\text{Allowable Direct Costs}} = \frac{2,175,000}{12,000,000} \mathbf{18.13\%}$$

# Average Actual Personnel Rates

- Identify classifications for which you will be seeking reimbursement
- Identify current actual base hourly rate (regular salary without benefits) for each employee within each classification
- If hourly rate is not readily available from local agency system:
  - Use 2,912 annual hours for 56 hour employees
  - Use 2,080 annual hours for 40 hour employees

# Average Actual Personnel Rates cont.

- Identify specialty and incentive pay that is tied to each OVERTIME hour worked. If there is no payment to the employee or no cost to the department for that benefit when an OT hour is worked, then DO NOT include
- For each employee, add hourly salary and benefit costs together
- Calculate average hourly rate for the classification

# Average Actual Personnel Rates Incentive/Specialty Pay and Benefits

- Varies from department to department – if the incentive/specialty benefit is paid when a person works OT then it should be included
- Examples: Paramedic, Hazmat, EMT, USAR, education, longevity, FICA, and Medicare – this is not an all inclusive list
- Benefits typically not earned for each OT hour worked are retirement, health insurance, and merit pay



# Average Actual Personnel Rates Calculation Example

<b>Job Classification - Firefighter</b>		<b>Amount</b>
Base Salary - Current Actual Annual Salary		75,924
Annual Scheduled Hours	56-Hour Employee	2,912
<b>Regular Hourly Rate without benefits</b>		<b>26.07</b>
<b>Incentive/Specialty Pay (Specify)</b>	Emergency Medical Technician	0.75
	Education Incentive	0.34
	Paramedic Premium Pay	2.00
<b>Hourly Rate with Incentive Pays</b>		<b>29.16</b>
<b>Benefits</b>		
FICA/Medicare	1.45%	0.42
Retirement	Not Applicable to overtime	-
Health Benefits / Flex Credits	Not Applicable to overtime	-
Other: (Specify)		-
<b>Hourly Actual Rate (including applicable benefits) for FF/Medic 1</b>		<b>29.58</b>

# Example of Correct Classification Calculation of Average Actual Rates

## Average All Firefighters

### Example:

	Average Actual Rate
Firefighter Paramedic 1	29.58
Firefighter Paramedic 2	29.28
Firefighter Paramedic 3	28.34
Firefighter 4	25.10
Firefighter 5	23.19
Firefighter 6	24.20
Firefighter 7	<u>24.67</u>

**Average Actual Hourly Rate** **26.34**

# Incorrect Classification Calculation

## DO NOT Average Steps Separately

<b>FF/PM Step 2</b>	<b>Average Actual Rate</b>
Firefighter Paramedic 1	29.58
Firefighter Paramedic 2	29.28
Firefighter Paramedic 3	<u>28.34</u>
<b>Average of FF/PM Step 2</b>	29.07

<b>FF/PM Step 1</b>	
Firefighter Paramedic 1	25.10
Firefighter Paramedic 2	23.19
Firefighter Paramedic 3	24.20
Firefighter Paramedic 4	<u>24.67</u>
<b>Average of FF/PM Step 1</b>	24.29

**Average Actual Hourly Rate**

$$29.07 + 24.29 / 2 = 26.34 \quad 27.71$$

# Incorrect Classification Calculation

## DO NOT Average Step Ranges

### Example:

FF/PM Step 1 (\$20-25)

22.50

FF/PM Step 2 (\$25-30)

27.50

FF/PM Step 3 (\$30-40)

35.00

Firefighter Step 1 (\$10-15)

12.50

Firefighter Step 2 (\$15-20)

17.50

Firefighter Step 3 (\$20-25)

22.50

Firefighter Step 4 (\$25-35)

30.00

**Average Actual Hourly Rate**

**~~26.34~~ 23.93**

# F-42 Calculation Example

Personnel Type	Hourly Rate	Paid Rate	# on this F-42	Hours on this F-42	Total for this F-42
Company Officer	\$ 65.08	\$ 97.62	1	19	\$ 1,854.78
Apparatus Oper.	\$ 54.09	\$ 81.14	1	19	\$ 1,541.57
Firefighter	\$ 46.04	\$ 69.06	2	19	\$ 2,624.28
Workers' Comp Rate	0.0999			Total Workers' Comp	\$ 601.46
UI Rate	0.0000			Total UI	\$ -
				Total Personnel	\$ 6,622.09
Admin Rate	0.10				\$ 662.21
Engine Hours	\$ 95.00			16	\$ 1,520.00
Admin Rate	0.10				\$ 152.00
Support/Overhead Vehicle	\$ -			Vehicle Cost	\$ -
Admin Rate	0.10				\$ -
<b>Total for this F-42</b>					<b>\$ 8956.30</b>

# MOU/MOA Submission

- It is the responsibility of local government to submit an MOU if requesting approval for above straight-time pay for chief officers or portal to portal for civilians.
- Salary Surveys that indicate “Yes” for MOU, but are not submitted with the appropriate MOU documentation will not receive MOU review.
- Only the full, complete MOU will be accepted. No partial documents can be reviewed.

# Support Vehicle Rates

## ➤ 2013 Rates

### Government Owned Vehicles:

Sedan	<b>\$47.00</b> per day
Pickup	<b>\$86.00</b> per day
Van	<b>\$109.00</b> per day
SUV	<b>\$96.00</b> per day
Other	<b>\$96.00</b> per day (3/4 ton & above)

### Privately Owned Vehicles:

**Current IRS rate per mile**  
0.565

# Resources and References

- California Fire Assistance Agreement (CFAA) and updated Exhibits
- Salary Survey and Actual Administrative Rate Instructions
- Cal EMA Fire website:  
<http://www.calema.ca.gov/FireandRescue/Pages/Fire-and-Rescue.aspx>
- FEMA website (equipment rates)  
<http://www.fema.gov/government/grant/pa/eqrates.shtm>



Questions / Help?

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