



**Biennial Performance Audit Follow Up on  
Baltimore City Fire Department Findings  
Included in Previous Audit Reports**

**Fiscal Years Ended June 30,  
2024 and June 30, 2023**

**City Auditor, Josh Pasch  
March 16, 2026**



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# Office of the Comptroller

**Josh Pasch, City Auditor**

100 N. Holliday St., Room 321  
Baltimore, Maryland 21202

Honorable Bill Henry, Comptroller  
and Other Members  
of the Board of Estimates  
City of Baltimore

## EXECUTIVE SUMMARY

The Department of Audits conducted a *Biennial Performance Audit Follow-up on the Baltimore City Fire Department*, which covered Fiscal Years Ended June 30, 2024, and June 30, 2023. The objective of our performance audit follow-up was to determine the implementation status of management action plans for the prior recommendations. The scope of the follow up audit was extended to March 2026 due to the implementation of the new permitting system (Accela)<sup>1</sup> in February 2025, and the new requirements for Continuity of Operations Plan (COOP) were implemented in July 2025.

There were four prior findings that we followed up in this audit. We concluded that one recommendation, or 25 percent, was implemented; two recommendations, or 50 percent, were partially implemented, and one recommendation, or 25 percent, was not implemented. See details in Table II on page 5.

The following are the reasons for the partially implemented and not implemented recommendations:

1. On November 18, 2024, BCFD implemented *Office of the Fire Marshal Policy Manual (Manual) Assigning Use and Occupancy Inspections; and Annual Fire Inspections*. This Manual establishes the protocol for assigning Use and Occupancy (U&O) and annual fire inspections to the Office of the Fire Marshal (OFM) personnel. However, the Manual does not address the recommendation of establishing, tracking and the monitoring of expected turnaround times for key tasks.
2. The BCFD segregation of duties is significantly improved. For billing, recording invoices and payment transactions, monitoring accounts receivable, and validating payment deposits. However, BCFD has not implemented formal (written, approved, dated) policies and procedures. To further strengthen controls over the cash receipt process, we recommend the Administrative Captain use the validated cash receipts for the reconciliation.

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<sup>1</sup> The Accela system is managed by the Department of Housing and Community Development (DHCD) and Baltimore City Information Technology.

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Implementation Status of Management Action Plans for the Prior Recommendations**

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3. On October 14, 2024, BCFD implemented the *Office of the Fire Marshal Policy Manual, Fire Watch Procedures* that requires cataloging and retention of Level I, II, and III fire watch services. However, BCFD does not consistently follow this manual.
  
4. The MOEM created a City of Baltimore Agency Continuity of Operations Plan (COOP) template describing the attributes that are required to be in the COOP. The template was provided to all agencies to use as a guide when preparing their COOP. The MOEM developed a City of Baltimore COOP Evaluation Form to identify any deficiencies that need to be corrected in agency submitted COOP. As a result of the feedback and tools provided to the agencies by MOEM, the contents of the COOPs have significantly improved. Additionally, the agency COOP submission rate for FY2026 is 83 percent.

We wish to acknowledge Baltimore City Fire Department's (BCFD) cooperation extended to us during our audit follow-up.

Respectfully,



Josh Pasch, CPA  
City Auditor  
Baltimore, Maryland  
March 16, 2026

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**BACKGROUND INFORMATION**

The follow-up findings included in this audit are from the three previously issued reports.

Table I

**A List of Prior Audit Reports**

<b>Finding No.</b>	<b>Audit Name</b>	<b>Audit Objective</b>	<b>Previous Follow-up(s)</b>
1	<i>Biennial Performance Audit of the Baltimore City Fire Department for the Fiscal Years Ended June 30, 2022 and June 30, 2021</i>  <a href="#">BCFD U&amp;O and Annual Fire Permits</a>	Determine whether BCFD U&O permit review and fire inspection processes are efficient. (Note: The objective was subsequently extended to annual fire inspection permit renewal.)	First time follow-up for this finding.
2 and 3	<i>Biennial Performance Audit of the Baltimore City Fire Department for the Fiscal Years Ended June 30, 2020 and June 30, 2019</i>  <a href="#">BCFD Fire Watch Program</a>	Assess whether BCFD has adequate and effective policies and procedures to administer and operate the fire watch programs; and whether those policies and procedures are in compliance with the International Fire Code requirements.	Calendar Year (CY) 2024  <b>Note:</b> "Special Events Division was unaware of findings and recommendations for Implementation Dates." We deferred the audit to CY 2025.
4	A performance audit of selected functions within BCFD for the FYs ended June 30, 2016 and 2015  <a href="#">BCFD COOP Performance Measure Audit</a>	Determine whether the BCFD met its performance targets, and to determine whether its internal controls and the related policies and procedures were effectively designed and placed in operation to monitor, control, and report valid and reliable information that is significant to selected performance measures or functions for the stated period.	CYs 2019, 2021, 2024  <b>Note:</b> The performance measure is no longer in the budget book. However, due to the significant citywide risk, we continue to follow up on this finding.

## **OBJECTIVE, SCOPE, AND METHODOLOGY**

We conducted our follow up audit in accordance with *Generally Accepted Government Auditing Standards*. Those standards require that we plan and perform the follow up audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The objective of our follow-up audit was to determine the implementation status of management action plans for the prior recommendations. The original scope of the follow up audit was FYs 2024 and 2023 but was extended to March 2026 due to the implementation of the new permitting system (Accela) in February 2025, and the new requirements for COOP were implemented in July 2025.

To accomplish our objective, we:

- Met with DHCD and the Office of the Fire Marshall (OFM) for an overview of the Accela Permitting System;
- Reviewed the following manuals: (i) *Office of the Fire Marshal Policy Manual, Assigning Use and Occupancy Inspections; and Annual Fire Inspections*; and (ii) *Office of the Fire Marshal Policy Manual, Fire Watch Procedures*;
- Conducted a walkthrough meeting to obtain an understanding of procedures for billing, recording invoices and payment transactions, monitoring accounts receivable, and validating payment deposits for the special events and Level III Fire watches;
- Judgmentally selected 15 Fire Watch Level I and Level II events to confirm whether OFM retains the signed Fire Prevention Code Notices;
- Reviewed the draft Mayor's Office of Emergency Management (MOEM) Standard Operating Procedures related to the COOP;
- Conducted meetings and walkthroughs with both BCFD and MOEM process owners and leadership to ascertain the status of the actions taken by BCFD and MOEM regarding previous audit recommendations;
- Reviewed COOPs submitted by required agencies;
- Obtained and reviewed the City of Baltimore COOP Evaluation Forms (Rubric) for compliance with the COOP template guidelines; and
- Obtained and reviewed the meeting agendas, PowerPoint presentations, and agency attendance for the two quarterly meetings held to discuss COOP processes and status updates on the agencies' COOPs.

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**IMPLEMENTATION STATUS OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS**

Table II

**Summary of Implementation Status of Audit Findings and Recommendations From Prior Biennial Performance Audit Reports**

No.	Findings	Recommendations	Management Self-Assessment	Auditor's Assessment
1.	<p>1) The BCFD does not monitor critical tasks and milestones that would enable it to evaluate the efficiency of the fire permit issuance process for both annual and U&amp;O fire inspection permits.</p> <p>2) The BCFD has no established benchmarks to compare the actual time it takes to complete an inspection and issue a permit.</p> <p>3) The BCFD is unable to identify and assess causes of delays for annual and U&amp;O fire inspection permits.</p> <p>4) The data available is insufficient to run accurate reports to support the monitoring of key milestones mentioned in the prior audit report.</p>	<p>1) Establish expected turnaround times for key tasks;</p> <p>2) Start tracking dates for key tasks in the respective systems;</p> <p>3) Identify a unique identifier to join data from significant systems;</p> <p>4) Make sure these significant systems have controls to protect data integrity; and</p> <p>5) Monitor efficiency and causes of delays.</p>	<p>Partially Implemented on October 14, 2024</p> <p>As previously noted, the BCFD would be transitioning to the new Accela System. The Accela system went live in Baltimore City on February 3, 2025. The Accela system is controlled by the DHCD and Baltimore City Information Technology, the BCFD has no control over the system's operation, data integration, or data integrity. DHCD is coordinating a meeting to discuss creating reports from the system. The Accela system has been live for less than 30 days as of February 28, 2025.</p>	<p><b>Not Implemented.</b></p> <p>On November 18, 2024, BCFD implemented <i>Office of the Fire Marshal Policy Manual (Manual), Assigning Use and Occupancy Inspections and Annual Fire Inspections</i>. This Manual establishes guidelines and procedures for assigning U&amp;O and annual fire inspections to the OFM personnel for timely completion. However, the Manual does not establish expected turnaround times for key tasks except for assigning inspections after the initial intake for U&amp;O or annual inspections are weekly identified by the General Inspections Captain.</p> <p>The BCFD still does not track dates for key tasks and monitor efficiency and causes of delays.</p> <p>The Department of Audits will follow up on the implementation status of management action plans in CY 2027.</p>

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No.	Findings	Recommendations	Management Self-Assessment	Auditor's Assessment
2.	<p>The OFM does not have adequate accounting and financial controls (segregation of duties, validation of incoming payments, and monitoring of accounts receivable) to ensure that billing and payment information is accurately recorded. Also, the BCFD cannot ensure that payments for all invoices issued by the OFM are received in a reasonable timeframe (or at all). Without proper segregation of duties and an independent review and reconciliation of invoicing and payments, payments could be intentionally or unintentionally lost or stolen and not detected by management.</p>	<p>1) Establish and implement procedures to adequately segregate the invoicing, collection, and recordation of Level III fire watch and special event activities.</p> <p>The BCFD Chief should work with the Director of DOF to:</p> <p>2) Transfer the Mainframe and manual billing processes to Workday and;</p> <p>3) Establish and implement formal (written, approved, dated) policies and procedures for billing, recording invoice and payment transactions, monitoring accounts receivable, and validating payment deposits.</p>	<p>Partially Implemented on October 14, 2024.</p> <p>1) Special Event Group sends out the invoices, and the Permit Technician and Administrative Captain process the checks.</p> <p>2) Has not been implemented</p> <p>3) Formal (written, approved, dated) policies and procedures for billing, recording invoice and payment transactions, monitoring accounts receivable, and validating payment deposits have not been implemented since the Special Events Division was unaware of findings and recommendations for implementation dates.</p>	<p><b>Partially Implemented</b></p> <p>The BCFD segregates the duties compared to the previous audit. To further strengthen controls over the cash receipt (checks and money orders) process, we recommend that the Administrative Captain uses validated cash receipts for reconciliation. However, the BCFD has not established and implemented formal (written, approved, dated) policies and procedures for billing, recording invoices and payment transactions, monitoring accounts receivable, and validating payment deposits.</p>

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No.	Findings	Recommendations	Management Self-Assessment	Auditor's Assessment
3.	<p>The OFM uses a Microsoft Excel spreadsheet to track Level III fire watch financial activities but does not manually record Level I and II services to evidence support services provided. There is no system-generated report (or log) showing Level I, II, and III services provided.</p> <p>In addition, the OFM does not retain supporting documentation such as contracts, daily logs, citations, and work orders after 30 days to evidence the completion of all related fire watch activities. This exposes the City to financial and reputational risks resulting from claims associated with services not provided and the inability to present adequate documentation.</p> <p>The cause of the finding is because OFM does not have formal (written, dated, approved) policies and procedures required to: (1) record Level I, II, III fire watch services; (2) maintain key documentation; and (3) establish retention periods for these documents.</p>	<p>1) Establish formal (written, dated, approved) Fire Watch policies and procedures requiring recording, documentation, and retention of documentation for Level I, II, and III fire watch services. These can be implemented in SalesForce.</p> <p>2) Implement those policies and procedures.</p>	<p>Implemented</p> <p>The OFM updated the policy on Fire Watches. The OFM saves all Fire Watch information in an electronic shared file with only the Fire Marshal, Battalion Commander, and Special Events Division having access. This is backed up with a paper copy, filed at the OFM- Special Events Division.</p>	<p><b>Partially Implemented</b></p> <p>The BCFD implemented the <i>Office of the Fire Marshal Policy Manual, Fire Watch Procedures</i> that require recording, documenting, and retention of documentation for Level I, II, and III fire watch services. However, BCFD does not consistently follow this Manual. Specifically, BCFD retains logs that track Level I and Level II fire watch; however, BCFD does not always retain Fire Prevention Code Notices signed by occupants or representatives of the facility. Of the 15 judgmentally selected samples for Fire Watch level I and II, BCFD was unable to provide fire prevention notices for nine events or 60 percent.</p>

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No.	Findings	Recommendations	Management Self-Assessment	Auditor's Assessment
4.	<p>The target for FY 2016 was 85 percent, but the actual amount as stated in the budget book for FY 2018 was 75 percent. The target for FY 2015 was originally stated as 90 percent in the budget book for FY 2015, but was reduced to 80 percent in the budget books for FYs 2016 and 2017. The actual amount for the 2015 FY, as stated in the budget book for the 2017 FY, was 75. Neither the original target nor the reduced targets were achieved. The Mayor's Office of Emergency Management (MOEM) indicated that the targets were not met because of the lack of personnel to assist City agencies to develop and review the COOP.</p> <p>(Note: The performance measure is no longer required in the budget books since FY 2023.)</p>	<p>1) Identify and address the causes for not meeting the established targets.</p> <p>2) Obtain the Finance's approval for any revisions to prior year performance measure targets. Any approved changes to performance measure targets should not be changed in subsequent year Budget Books without adequate disclosure, to avoid misleading performance results.</p> <p>3) Revise the Continuity of Operations Plan, Administrative Manual 110-01, <i>Continuity of Operations Plan</i>, require agencies to participate in the Continuity Planning Program and periodically (e.g. quarterly, semi-annually, annually) communicate with MOEM and report their current version of</p>	<p>In FY 2024, all City of Baltimore agencies required to have a COOP plan were compliant with same. The Office of Emergency Management remains the subject matter expert with regard to COOP planning. AM-110-01 clearly states that "All City agencies are required to develop a COOP in coordination with the Mayor's Office of Emergency Management (MOEM)." While the causes of historical non-compliance cannot be identified, it is recognized that authority to enforce compliance with the AM is not vested in this agency. OEM does continuously work with agency leadership to revise COOP plans and has also hosted training exercises for the purpose of exercising same. Agency COOP documents are considered "secure" documents maintained by the agency and OEM. As such, documentation in the form of exhibit attachments is not permitted. OEM can work with audit personnel to provide proof of completion upon request.</p>	<p><b>Implemented</b></p> <p>The MOEM began a new process requiring all agencies that are required to have a COOP submit to MOEM by July 2025.</p> <ul style="list-style-type: none"> <li>The MOEM created a new City of Baltimore Agency COOP template describing what attributes are required to be in the COOP, which was provided to agencies to use as a guide in preparing their COOP.</li> <li>The MOEM developed a City of Baltimore COOP Evaluation Form – "Rubric" to look for all essential and key items that should be in the agency submitted COOP. The "Rubric" relays what their COOP deficiencies were so that the agencies may revise their COOP and re-submit to MOEM for re-evaluation. All agencies are required to re-submit a new and revised COOP that must be signed and dated annually.</li> <li>There are 18 agencies required to submit a COOP, and currently 15 agencies or 83 percent have submitted a COOP, while three agencies<sup>2</sup> were granted an</li> </ul>

<sup>2</sup> Three agencies are Department of Finance, Department of Public Works, and Mayor's Office.

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No.	Findings	Recommendations	Management Self-Assessment	Auditor's Assessment
		<p>their COOPs.</p> <p>4) Require the Director of MOEM to follow the revised AM-110-01, when implemented.</p> <p>5. Although MOEM is tasked to assist agencies in developing their COOPs and collect and maintain agencies' COOPs, MOEM does not have authority to make those agencies accountable for not having COOPs or submitting COOPs to MOEM. Hence, we recommend the City Administrator make sure all required agencies develop COOPs and submit their COOPs to MOEM.</p>		<p>extension to submit, but have not currently done so.</p> <ul style="list-style-type: none"> <li>• Of the 15 agencies that submitted their COOP, MOEM provided a Rubric for 12 agencies or 80 percent.</li> <li>• The MOEM implemented quarterly meetings with all required agencies to discuss various aspects of the COOP processes and status updates on the agencies' respective COOPs. There have been two meetings, one in October 2025 and the second in January 2026.</li> <li>• As a result of the feedback and tools provided to the agencies by MOEM, the contents of the COOPs have significantly improved.</li> </ul>

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**APPENDIX I - MANAGEMENT'S RESPONSE TO THE AUDIT REPORT**

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CITY OF BALTIMORE

BRANDON M. SCOTT

Mayor



FIRE DEPARTMENT

James W. Wallace  
Chief of Fire Department  
401 E. Fayette Street  
Baltimore, Maryland 21202

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March 31, 2026

Mr. Josh Pasch, City Auditor  
Baltimore City Comptroller's Office  
417 E. Fayette Street  
Baltimore, MD 21202

Dear Mr. Pasch:

The Baltimore City Fire Department thanks the Department of Audits Team for their continued partnership in the audit process and for their commitment to assisting the Baltimore City Fire Department in its improvement of service delivery. We appreciate the opportunity to respond to the findings and recommendations presented in the Biennial Performance Audit Follow-up dated March 16, 2026.

The Baltimore City Fire Department has affected significant changes within the Office of the Fire Marshal, beginning on June 30, 2025, with a change in leadership resulting in the current Deputy Chief, Fire Marshal, being appointed on August 13, 2025. Moreover, personnel alignment, policy review and development, and overall continuity of operations were, and continue to be the agency's primary focus, all of which will continue to build upon current service delivery.

The Baltimore City Fire Department respectfully submits the following responses to audit findings.

**FINDING 1: ANNUAL AND USE & OCCUPANCY PERMIT ISSUANCE**

Legacy policies for assignment and completion of Annual Fire Inspections, as well as Use and Occupancy (U&O) Inspections have been updated and implemented at the Office of the Fire Marshal. These updates establish standardized procedures for task assignment, tracking, timely customer response, scheduling, and documentation of related requests within the Accela system. This improves timely customer service, accountability, and consistent documentation of inspection related activities conducted by the Office of the Fire Marshal (OFM). These updates also establish benchmarks for critical tasks, track key task dates, document process delays, and establish a review process.

## **FINDING 2: BILLING AND PAYMENT PROCESSES**

The BCFD has initiated billing for Fire Watches and Special Events through Workday, and the Department continues to work towards full integration into the Accela system for billing and payment acceptance.

For clarity, The Office of the Fire Marshal does not accept cash payments under any circumstances. The terminology of “cash receipt” is not reflective of actual or accepted forms of payment at the Office of the Fire Marshal. Checks and money orders remain the only accepted forms of payment, which by way of on-line systems integration, the department seeks to end all transactions other than electronic modes. With the recent hire of a new Chief Financial Officer, we expect to be fully integrated in the coming months.

## **FINDING 3: FIRE WATCH DOCUMENTATION**

Policies addressing recording and retention of documentation for Level I, II, and III Fire Watches have been reinforced through additional training and oversight, and an internal audit is being conducted to address any missing documentation.

The Office of the Fire Marshal has implemented a monthly review process to ensure all documentation is being captured and updated in our internal records management system; and a data analyst was recently hired to manage and further develop records management platforms.

## **SUMMARY**

In summary, the Baltimore City Fire Department recognizes the need for continuous quality improvement. As such, we are instituting additional metrics as well as quality control policies designed to deliver high quality services to the customers we serve, while at the same time reinforcing accountability at all levels. We will continue to build upon the department’s current level of service and welcome any follow-up questions the Department of Audits may have.

Sincerely,



James W. Wallace, Fire Chief  
Baltimore City Fire Department

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**AUDIT TEAM**

**Josh Pasch, CPA**  
City Auditor

**Thandee Maung, CPA, CFE, CGFM, MBA**  
Deputy City Auditor

**David Walton, CPA**  
Audit Manager

**Ansumana Jammeh**  
Audit Supervisor

**Steve Cohen, CPA**  
Audit Supervisor

**Chancelle Diago**  
Staff Auditor