

**City of Tampa
Internal Audit Department
Audit Program Guide
Code Enforcement Operations, 05-28**

Budget Hours	Audit Procedures	Done By	W/P Ref.
<i>Background</i>			
	<p>The Code Enforcement Department was previously a division of the Department of Business and Housing Development (BHD). In FY 2004, as part of the City-wide reorganization, Code Enforcement became a separate department.</p> <p>The Code Enforcement Department is responsible for enforcing Chapter 19 – Property Maintenance and Structural Standards and Chapter 27 – Zoning of the City of Tampa Code. Infractions include, but are not limited to: zoning violations, overgrown lots or yards, inoperative vehicles, maintenance of structures, noise control, illegal signs, public nuisances, and anything else that may affect the quality of life within the boundaries of the City. Additionally, Code Enforcement is responsible for enforcing Articles II and IV of Chapter 14 – Offenses and relevant sections in Chapter 3 – Alcoholic Beverages dealing with noise and security provision in Ybor City, Channelside, and the Central Business District.</p> <p>Code Enforcement also regulates rental properties throughout the city by certifying that landlords comply with the Florida State Minimum Housing Standards. If they do meet these criteria, they are issued a Rental Certificate that must be renewed annually. Inspections performed verify that rental properties do meet the state criteria before the Rental Certificate is issued.</p>		

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<i>Statistics</i>						
		2002	2003	2004		
	Cases Opened	25,311	28,225	30,251		
	Cases Complied	25,002	27,678	27,077		
	Active Cases	309	547	3,174		
	Compliance Ratio	98.8%	98.1%	89.5%		
<i>Planning the Audit</i>						
	<ol style="list-style-type: none"> 1. Print Quality Control Package and process Auditor Assignment and Independence Statement page. 2. Prepare and send an entrance letter to applicable personnel in the area under review. 3. Conduct an in-house review of the following: <ol style="list-style-type: none"> a) Financial Data b) Internal Policy & Procedures Manuals c) Applicable Rules, Laws and Regulations, and d) Prior internal audit reports and management comments. 4. Schedule and hold an entrance conference with the Auditee. Obtain the name of the departmental contact person and secure a place from which to conduct the fieldwork portion of the audit. 5. Begin Preliminary Survey by interviewing the appropriate personnel in the Auditee Department. Document the interviews with narratives in the work file. 6. Review and document Internal Control System. (Include control points, such as the location within the system of approvals, authorizations, segregation of duties, supervision, reconciliations, computer-generated error and edit listings, exception reports, etc.) 7. After gaining an understanding of various functions, conduct transaction walk-throughs. Revise documentation. 8. Review the CAFR for any applicable comments in the management letter and notes on the financial statements. 					

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	<p>9. Assess the reliability of computer-processed data –</p> <ul style="list-style-type: none"> (a) Identify all computer-generated data that will be used during the audit. (b) Determine how the data will be used in the audit. If used as the sole evidence supporting a finding or as corroborative or supporting evidence – assess the data’s reliability by performing steps (c) to (g). If it will be used as background information – cite the data’s source and no further work is required. (c) Document how the data is used in decision-making and the extent of users’ reliance on the data. (d) Review any evaluations of the system, application and data performed by an independent third party (e.g., external auditor’s management letter). (e) Identify and document any input, processing and output controls and controls over data adjustments. (f) Test the identified controls and data elements that will be used during the audit by tracing a sample of data records to the source documents and a sample of source documents to the database. (g) Summarize the test work and results and conclude on the data’s reliability. <p>10. Prepare a risk analysis listing the strengths and weaknesses of the system and reference risk assessments to audit objectives.</p> <p>11. Prepare the audit program and include a time budget and estimated completion date. Index the preliminary survey file and turn in for review. The Planning Checklist page of the Quality Control Package should be completed by the Audit Supervisor.</p> <p>12. Clear review notes and revise the audit program, if necessary.</p>		
<i>Audit Scope</i>			
	<p>Based on the work performed during the preliminary survey and the assessment of risk, the audit period will cover the operations of the Code Enforcement Department from October 1, 2003 to September 30, 2004.</p>		

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<i>Audit Objectives</i>			
	<ol style="list-style-type: none"> 1. To determine if the Code Enforcement Department was effective in bringing properties into compliance with the Tampa City Code. 2. To determine if enforcement actions were in accordance with established procedures and performed timely. 3. To determine if the Diversion Services Program was effective in obtaining assistance for qualified property owners in correcting their violations. 4. To determine whether abatements resulted in special assessment liens on properties. 		
<i>Objective 1: To determine if the Code Enforcement Department was effective in bringing properties into compliance with the Tampa City Code.</i>			
	<ol style="list-style-type: none"> 1. From the ACTBASIC data file, use Microsoft Access to extract action files for calendar year 2002, 2003, and 2004. 2. Calculate the compliance ratio for calendar year 2002, 2003, and 2004. 3. Discuss any audit findings with the Audit Supervisor and Audit Director. After receiving their approval discuss audit findings with Auditee management. 4. Summarize and conclude. 		
<i>Objective 2: To determine if enforcement actions were in accordance with established procedures and performed timely.</i>			
	<ol style="list-style-type: none"> 5. Using a statistical sample, select a sample of the action files compiled in FY 2004 for testing. 6. Schedule out all enforcement actions taken and the dates performed. 7. Calculate the timeliness of the actions. 8. Discuss any audit findings with the Audit Supervisor and Audit Director. After receiving their approval discuss audit findings with Auditee management. 9. Summarize and conclude. 		

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<i>Objective 3: To determine if the Diversion Services Program was effective in obtaining assistance for qualified property owners in correcting their violations.</i>			
	<p>10. Obtain a list from the Diversion Services Coordinator of the action files compiled as a result of referral to the Diversion Services Program.</p> <p>11. Judgmentally select 20 action files for testing.</p> <p>12. For each action file selected for testing ensure the property owner met the criteria for the program and that department procedures were followed.</p> <p>13. Obtain a list of active cases referred to the Diversion Services Program and determine status of obtaining assistance for property owner.</p> <p>14. Discuss any audit findings with the Audit Supervisor and Audit Director. After receiving their approval discuss audit findings with Auditee management.</p> <p>15. Summarize and conclude.</p>		
5. <i>Objective 4: To determine whether abatements resulted in special assessment liens on properties.</i>			
	<p>16. Conduct a search of all action files for FY 2004 where abatement violations were performed by the City.</p> <p>17. Determine whether the abatement resulted in a lien on the property. If not, determine if valid explanation exists for not recording a lien.</p> <p>18. Discuss any audit findings with the Audit Supervisor and Audit Director. After receiving their approval discuss audit findings with Auditee management.</p> <p>19. Summarize and conclude.</p>		
<i>Audit Wrap Up</i>			
	<p>20. Complete and index working papers.</p> <p>21. Prepare a preliminary draft of the audit report.</p> <p>22. Clear review notes.</p> <p>23. Forward draft to auditee and request responses within 10 working days.</p>		

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	<p>24. Incorporate auditee responses into the final audit report.</p> <p>25. If requested, schedule and hold exit conference.</p> <p>26. Send final report to reproduction and make one (1) unbound copy.</p> <p>27. Prepare Release Memo, Staff Summary Sheet and City Council Agenda Item Cover Sheet.</p> <p>28. Provide Audit Supervisor with ten (10) bound and one (1) unbound copy of the final report.</p> <p>29. Upon release by the Mayor <u>and</u> its appearance on the City Council's Draft Agenda, distribute final report to auditee and place the report, audit program and risk analysis files in the appropriate folders on the share drive for posting to IAD's web site.</p> <p>30. Have the Audit Director complete the Quality Control Checklist of the Quality Control Package.</p>		