

**City of Tampa
Internal Audit Department
Audit Program Guide
Fire Inspections
Audit 99-33**

Budget Hours	Audit Procedures	Done By	W/P Ref.																					
<i>Background</i>																								
	<p>Fire Inspections are the responsibility of the Fire Marshals office, which is a unit of Tampa Fire Rescue. This includes periodic inspections of existing buildings, with an emphasis on high-risk buildings, such as high rises, nursing homes and child card facilities. Plans for new buildings are also reviewed to insure that they are up to code. Inspections are performed periodically during construction, including tests of alarm and sprinkler systems.</p> <p>Determinations of which buildings and how often of existing buildings are inspected are largely at the discretion of the inspector assigned to the zone.</p> <p>Inspections, permits and false alarm fees are billed using the City's MARS system.</p>																							
<i>Statistics</i>																								
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<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. Prepare a planning program and include a time budget for the preliminary survey work. 4. 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 5. 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. 6. Begin Preliminary Survey by interviewing the appropriate personnel in the Auditee Department. Document the interviews with narratives in the work file. 7. Review and document Internal Control System. (Include control points, such as the location within the system of approvals, authorizations, 																							

¹ Memo of 11/17/98 from W. Ryan to T. Spear regarding Inspection Activity (W/P C-2-1)

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	<p>segregation of duties, supervision, reconciliations, computer-generated error and edit listings, exception reports, etc.)</p> <p>8. Accompany inspectors for both new construction and existing buildings on actual inspections. Select time that will allow for a typical variety of buildings-day care, high rise residential and office, mercantile.</p> <p>9. After gaining an understanding of various functions, conduct several transaction walk-throughs. Revise documentation as necessary.</p> <p>10. Prepare a survey memo listing the strengths and weaknesses of the system. Discuss the areas of greatest risk and exposure to the City. Also, include suggested audit objectives and test procedures. Discuss with Audit Supervisor and the Deputy Director.</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>		
Audit Scope			
	<p>Based on the work performed during the preliminary survey and the assessment of risk, the audit period will cover the operations of Fire Inspections April 1, 1998 to March 31, 1999.</p>		
Audit Objectives			
	<ol style="list-style-type: none"> 1. Determine if Fire Inspections are being performed in accordance with existing City and State requirements or guidelines, or comparable to other cities. 2. Determine if inspection fees, false alarm fees are being properly assessed, collected and controlled. 		
Objective 1: Determine if Fire Inspections are being performed in accordance with existing City and State requirements or guidelines, or comparable to other cities.			
	<ol style="list-style-type: none"> 1. Review City Code and Florida Statutes for requirements for inspections of existing buildings. 2. Review and describe procedure for determining which buildings are to be inspected. 3. Determine if existing databases can be used reliably. 4. Note high-risk buildings that have not been inspected within two years. 5. Take a judgmental sample of 20 building files. Determine if inspections in databases, when applicable, are supported by the file. Determine if follow-up inspections, when needed, are documented. 6. When legal requirements do not exist or are not specific, compare frequency of inspections to industry standards, best practices, etc. If none can be found, conduct survey of four to six reasonably comparable Florida cities/counties. 7. Note percentage of population of buildings in other cities inspected per year, and average intervals for different risk structures. Adjust, if possible for differences where needed. 8. Note differences in areas such as inspection by company officers or use of civilian inspectors in other cities. 9. Discuss any audit findings with the Audit Supervisor, Deputy Director and Audit Director. After receiving their approval discuss audit findings with Auditee management. 		

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	10. Summarize and conclude.		
Objective 2: Determine if cash receipts are being properly assessed, collected and controlled.			
	11. Describe process for assessing fees. 12. Describe collection process, including follow up on past due accounts. 13. Note procedure for writing off uncollectible accounts and determine if it is reasonable. 14. Using a judgmental sample, trace ten transactions through the cash receipts/MARS system. 15. Determine if cash accountability provides reasonable assurance that missing receipts would be detected. 16. Review feasibility of outsourcing the receivable function. 17. Discuss any audit findings with the Audit Supervisor, Deputy Director and Audit Director. After receiving their approval discuss audit findings with Auditee management. 18. Summarize and conclude.		
Audit Wrap Up			
	19. Complete and index working papers. 20. Prepare a preliminary draft of the audit report. 21. Clear review notes. 22. Forward draft to auditee and request responses within 10 working days. 23. Incorporate auditee responses into the final audit report. 24. If requested, schedule and hold exit conference. 25. Quality Control Checklist of the Quality Control Package to be completed by the Deputy Director. 26. Present the audit report to the Mayor.		