

**PLANNING AND DEVELOPMENT
CONSTRUCTION SERVICES DIVISION
INSPECTIONS
AUDIT 17-20
FEBRUARY 26, 2018**



CITY OF TAMPA

Bob Buckhorn, Mayor

Internal Audit Department

Christine Glover, Internal Audit Director

February 26, 2018

Honorable Bob Buckhorn
Mayor, City of Tampa
1 City Hall Plaza
Tampa, Florida

RE: Construction Services Division – Inspections, Audit 17-20

Dear Mayor Buckhorn:

Attached is the Internal Audit Department's report on the Construction Services Division - Inspections.

The Inspections Division has already taken positive actions in response to our recommendations. We thank the management and staff of the Inspections Division for their cooperation and assistance during this audit.

Sincerely,

/s/ Christine Glover

Christine Glover
Internal Audit Director

cc: Dennis Rogero, Chief of Staff
Sonya Little, Chief Financial Officer
Ernest Mueller, Chief Assistant City Attorney
Bob McDonough, Administrator of Economic Opportunity
Thomas Snelling, Director of Planning and Development
Marvin Dryden, Construction Services Center Manager

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/s/ Vivian N Walker

Auditor

/s/ Christine Glover

Audit Director

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BACKGROUND

Permitted construction within the City of Tampa requires inspections to ensure all work meets the current building codes. The Construction Services Division (CSD) performs these inspections when requested. Currently, there is an authorized staff of 30, which includes the Chief Inspector, 2 Supervisors, and a Client Facilitator. During FY17, more than 92,000 inspections were projected to be completed, an increase of 6% over FY16.

Commercial or residential inspections can be scheduled either online or via the Inspection Hotline\IVR (interactive voice response). Inspections are divided into six phases defined as: foundation, slab/floor framing, lintel/team beam, framing, insulation, and final. Each Inspector is licensed in one or more trades (building, mechanical, electrical, or plumbing). Stormwater, transportation, landscaping and fire inspections are performed by those respective department's Inspectors at the end of construction.

STATEMENT OF OBJECTIVES

This audit was conducted in accordance with the Internal Audit Department's FY2017 Audit Agenda. The objectives of this audit were to ensure that:

1. The system of internal controls for inspections is adequate.
2. Re-inspection fees were charged when appropriate.
3. Annual facility permits were scheduled for inspections at time of permit issuance and that required inspections were performed.

STATEMENT OF SCOPE

The audit period covered CSD inspection activity that occurred from October 2015 through September 2017. Tests were performed to determine whether CSD Inspectors were fulfilling their stated duties and responsibilities in an effective and efficient manner.

STATEMENT OF METHODOLOGY

During the planning phase, we assessed the internal controls related to the separation of duties between an initial inspection and the performance of any subsequent re-inspections and how they related to the assessment of re-inspection fees. The CSD uses Accela permitting software to document their inspections. Accela was evaluated during an audit of CSD Permitting (Audit 16-08) and was deemed to be reliable. A random sample of 24 permits was selected – using the criteria of 90% confidence and 10% error – to review for documented inspections. We reviewed 100% of the annual facility permits issued, during the audit scope.

STATEMENT OF AUDITING STANDARDS

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the 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.

AUDIT CONCLUSIONS

Based upon the test work performed and the audit findings noted below, we conclude that:

1. The system of internal controls for inspections is adequate.
2. Re-inspection fees are not always charged when appropriate.
3. Annual facility permits are not scheduled for inspections at time of permit issuance and required inspections are not always being performed.

RE-INSPECTION FEES

STATEMENT OF CONDITION: Inspectors are not consistently charging a re-inspection fee when the failure is the second inspection. A review of 24 records with inspections identified 12 with more than one inspection disapproval. In reviewing the history for the 12 records, only 4 were charged re-inspection fees. The remaining eight records did not have supporting comments for why the re-inspection fee was not charged.

A discussion with Management indicated that the Inspectors control the re-inspection fee based on the type of disapproval entered. Disapproval has to be entered as "disapproved - fee required" for a charge to be included.

CRITERIA: The Construction Services website indicates that a re-inspection fee will be charged if violations are discovered during the inspection. A discussion with Management provided that the second instance of the same type of inspection that is disapproved, a re-inspection fee should be charged.

CAUSE: Management has allowed each Inspector the latitude to determine if the re-inspection fee will be assessed. This is also implied based on the system result options being either disapproval (no fee charged) or disapproved - fee required.

EFFECT OF CONDITION: The inconsistent application of the re-inspection fee could be perceived as preferential or biased treatment.

RECOMMENDATION 1: Management should determine the criteria to be used for the assessment of re-inspection fees for violations. These criteria should be coded into the Accela system to remove the subjectivity. Additionally, if the fee is waived, the comments section of the permit should be annotated and Management should periodically review for propriety.

MANAGEMENT RESPONSE: Agree – Re-inspection fees are based on the application of Florida Building Code as enforced in the field by City building inspectors. The goal or objective of field inspections is to ensure that construction meets all building codes. Inspections are failed for several reasons, some significantly non-compliant, others of an extremely minor nature. Many of these minor failed inspections can be “rolled into” the next scheduled inspection that does not necessarily result in an extra trip to the site. A degree of discretion is needed for the building inspectors to assess when a re-inspection fee is merited and legitimate. A policy and standard operating procedure will be drafted that identifies the specific criteria an inspector will use when making the determination of whether or not to assess an additional inspection fee. The inspectors will utilize the comment section to document the nature of the failed inspection. Inspector supervisors will review the inspector’s fee assessment record to monitor for consistency with the criteria and ensure division consistency with fellow inspector’s application of the criteria.

The objective is to create a broad definition of how those decisions are made and consistently apply those choices in a policy.

TARGET IMPLEMENTATION DATE: Based on the current review and correction of SOP’s
08/30/2018

ANNUAL FACILITY PERMITS

STATEMENT OF CONDITION: Periodic inspections for annual facility permits were not being performed as required. Annual facility permits issued during the audit scope of October 2015 through September 2017 were selected for review of inspections performed. There were six permits issued during the audit scope and only one had documented inspections.

CRITERIA: The February 2, 2010, Inspections Division's standard operating procedure entitled "PER_AnnFacility_002", states that the Client Facilitator will schedule "the inspections as indicated on the appropriate fee schedule."

CAUSE: The transition to a new permitting system did not properly include scheduling for annual facility permits.

EFFECT OF CONDITION: Uninspected activity could result in hazards to the public.

RECOMMENDATION 2: Management should revise how annual facility permits are issued through Accela to a method more conducive to pre-scheduled inspections.

MANAGEMENT RESPONSE: Agree – This policy / procedure / SOP will be addressed as we work our way through and revise / update the existing SOP's. Annual Permits will have required renewal and "AUDIT" inspections performed based on a future implemented SOP. Audit inspections will be scheduled upon annual (facility) permit renewals.

TARGET IMPLEMENTATION DATE: Based on current audit processes review being completed – 08/30/2018