

CITY OF FORT LAUDERDALE

OFFICE OF THE CITY AUDITOR

Audit of the Code Enforcement Division

Report #07/08-10

September 24, 2008



CITY OF
FORT LAUDERDALE

City Auditor's Office

Memorandum

No: 07/08-19

Date: September 24, 2008

To: Mayor Jim Naugle
Vice-Mayor Charlotte E. Rodstrom
Commissioner Carlton B. Moore
Commissioner Christine Teel
Commissioner Cindi Hutchinson

From: John Herbst, CPA, CGFO, MBA
City Auditor

Re: Audit Report #07/08-10: Review the Code Enforcement Division

The City Auditor's Office has completed its review of the Code Enforcement Division (CED). The objectives of our audit were:

- To evaluate the operational efficiency of CED.
- To determine if written policies and procedures exist and are followed when processing CED inspection cases.
- To determine if the assessment and collection of reimbursable costs and penalties due to the City by delinquent owners are accurate and reasonable.
- To determine the accuracy and timeliness of initiating, perfecting, collecting and removing liens.
- To determine if safeguards and security controls over hardware, software, and other technology equipment are adequate.

Our review of the internal controls of the CED would not necessarily identify all deficiencies that might be significant deficiencies or material weaknesses. As summarized below, we noted several items that we consider to be control deficiencies. Of these, none are considered to be significant deficiencies or material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

Summary of findings:

- CED should enroll in the Registrant Information Sharing Exchange (RISE) program and perform a match comparison between the business tax master file and the Department of Revenue's sales tax registrant files.
- CED should develop a written procedure to annually verify compliance with the City's Driver License Policy.
- The Human Resources Department should revise the language in the Driver's License policy to evaluate an employee's driving history based on the number of driving infractions committed rather than by accumulated points.
- CED management staff would benefit from additional training on how to generate custom reports from the Community Plus software.
- CED should develop a written procedure to ensure periodic and consistent follow up on cases referred to the City Attorney's Office.
- A comprehensive manual of written policies and procedures should be developed to serve as a training tool and guide to quality outcomes in work performed.
- CED should develop a written policy requiring supervisors to periodically ride with the field inspectors to observe and document the performance of inspections.
- CED should require supervisory review and approval of contractor invoices.
- The City Code of Ordinances should be revised to establish an escalated structure of fines for recurring offenders.
- CED should develop a written procedure to formalize the timeframe for recording a lien in the Broward County Public Records.
- CED should include a before and after picture showing the initial violation and evidence that the property has been brought back into compliance, thus supporting their conclusions for closing the case.
- CED should develop a written procedure that prescribes a reasonable timeline to request City Commission approval to impose a hard cost lien to assure that these liens are processed in a timely manner.

Management's responses to the findings and recommendations are included in the report. We did not audit management's responses and accordingly, we express no opinion on them. We are pleased to note that management generally concurs with our recommendations. We would also like to thank the staff of the Code Enforcement Division for their cooperation during this review.

cc: George Gretsas, City Manager
Harry Stewart, City Attorney
Jonda Joseph, City Clerk
Valerie Bohlander, Building Department Director
Michael Maloney, Code Enforcement Manager

**CITY OF FORT LAUDERDALE
CITY AUDITOR'S OFFICE
REVIEW OF THE
CODE ENFORCEMENT DIVISION**

PURPOSE

To conduct a review of the Code Enforcement Division (CED) of the Building Department.

EXECUTIVE SUMMARY

Our review of the CED reveals the following opportunities for improvement:

- CED should enroll in the Registrant Information Sharing Exchange (RISE) program and perform a match comparison between the business tax master file and the Department of Revenue's sales tax registrant files.
- CED should develop a written procedure to annually verify compliance with the City's Driver License Policy.
- The Human Resources Department should revise the language in the Driver's License policy to evaluate an employee's driving history based on the number of driving infractions committed rather than by accumulated points.
- CED management staff would benefit from additional training on how to generate custom reports from the Community Plus software.
- CED should develop a written procedure to ensure periodic and consistent follow up on cases referred to the City Attorney's Office.
- A comprehensive manual of written policies and procedures should be developed to serve as a training tool and guide to quality outcomes in work performed.
- CED should develop a written policy requiring supervisors to periodically ride with the field inspectors to observe and document the performance of inspections.
- CED should require supervisory review and approval of contractor invoices.
- The City Code of Ordinances should be revised to establish an escalated structure of fines for recurring offenders.
- CED should develop a written procedure to formalize the timeframe for recording a lien in the Broward County Public Records.
- CED should include a before and after picture showing the initial violation and evidence that the property has been brought back into compliance, thus supporting their conclusions for closing the case.
- CED should develop a written procedure that prescribes a reasonable timeline to request City Commission approval to impose a hard cost lien to assure that these liens are processed in a timely manner.

STATEMENT OF OBJECTIVES

- ❖ To evaluate the operational efficiency of CED.
- ❖ To determine if written policies and procedures exist and are followed when processing CED inspection cases.
- ❖ To determine if the assessment and collection of reimbursable costs and penalties due to the City by delinquent owners are accurate and reasonable.
- ❖ To determine the accuracy and timeliness of initiating, perfecting, collecting and removing liens.
- ❖ To determine if safeguards and security controls over hardware, software, and other technology equipment are adequate.

BACKGROUND

The City of Fort Lauderdale (CFL) operates a Building Department to provide the following services to the public: Plans Review; Permit Processing and Inspection; Planning and Zoning; Code Enforcement and Business Taxes formerly known as Occupational Licenses.

The Code Enforcement Division preserves and improves the housing and property standards through enforcement of the City's Code of Ordinances and the Florida Building Code. In addition CED regulates unsafe buildings or structures through demolitions, mandates board up and clean up of vacant buildings, and oversees Business Tax collections.

The 10 most common code violations handled by CED are:

- | | |
|--------------------------------|--|
| (1) Yard Maintenance Standards | (6) Maintenance of Commercial Structures |
| (2) Inoperative Motor Vehicles | (7) Condition of Structures |
| (3) Junk, Trash and Debris | (8) Outdoor Storage |
| (4) Parking | (9) Illegal Dwelling Units |
| (5) Commercial Equipment | (10) Prohibited Business |

CED personnel is comprised of the following:

- | | |
|-------------------------------------|---------------------------|
| 20 Code Officers | 6 Supervisors |
| 4 Building Inspectors | 1 Code Manager |
| 2 Bulk Trash Code Inspectors | 1 Assistant Code Manager |
| 13 Administrative Support employees | 4 Business Tax Inspectors |
| 1 Business Tax Clerk | |

During FY06/07 the CED issued 20,595 code violations and generated \$3,688,944 in revenues. CED follows Chapter 11 of the City's Code of Ordinances and Chapter 162 of the Florida Statutes.

SCOPE & METHODOLOGY

We interviewed the Director of the Building Department, and the Manager and Assistant Manager of CED. We reviewed CED expenditures from FY2004/2005 through May

2008. We tested compliance with the City's Code of Ordinances and the Driver's License section of the City's Policy and Standards Manual. (PSM).

OBJECTIVE 1

To evaluate the operational efficiency of the Code Enforcement Division.

Finding 1.1

Condition

CED is not participating in the Florida Department of Revenue's (DOR) "Registrant Information Sharing Exchange" (RISE) program. The City is not taking advantage of a valuable opportunity to help identify businesses that may be operating in the City limits without a Business Tax receipt. CED has not performed a match comparison between CFL's Business Tax master file and DOR's file of sales tax registrants in the City.

Criteria

Good internal controls require the periodic review and verification of tax master files to assure the integrity of the data. This is a valuable tool to assist in verifying the accuracy, completeness and integrity of our business tax master file.

Cause

CED was aware of the RISE program however they hadn't developed a plan to participate in the program and perform a match comparison to validate the accuracy of the Business Tax master file.

Impact

CED is not verifying the completeness of our business tax master file and therefore may not be maximizing the business tax revenues due to the City.

Recommendation 1

The City Manager should require the Director of the Building Department to enroll in DOR's RISE program and develop a procedure to perform a quarterly match comparison between DOR's Sales Tax Registrant file and the City's business tax master file.

Management Response

The Department will explore enrolling in DOR's RISE program and if found to be workable will set up procedures within 120 days for the purpose of matching the City's business tax master file to DOR's Sales Tax Registrant file.

Finding 1.2

Condition

CED is not in compliance with the City's PSM "City Driver Policy" #6.16.1, as CED supervisors have not performed an annual visual inspection of each employee's driver's license.

Criteria

Supervisors are required to perform an annual visual inspection of each employee's driver's license per section 3-G of the PSM.

"The immediate supervisor is required to perform an annual visual inspection of each employee's driver's license. This means that the supervisor must inspect the actual license. Should the license be unavailable, the employee must produce his/her license for inspection within two workdays."

Cause

The City Auditor's Office (CAO) inquired through the CED Manager regarding the division's compliance with the "City Driver Policy" PSM. The Manager stated that supervisors were not aware of this PSM.

Impact

If an employee with a poor driving record or a revoked license is involved in a vehicular accident, the City could be exposed to significant liability. Therefore, verifying an employee's driving record is necessary to manage the risks associated with employees operating a City vehicle.

Recommendation 2

We recommend that the City Manager require the Director of the Building Department to develop an annual plan to verify compliance with the City's PSM "City Driver Policy" #6.16.1 section 3-G. Supervisors can easily determine if an employee has a valid driver's license by checking website <https://www6.hsmv.state.fl.us/dlcheck/dlchecking>. CED can also request a historical abstract of an employee's driving record to check for infractions for a minimal cost: \$2.10 - 3 years, or \$3.10 - 7 years or complete history.

Management Response

Within 60 days the Division will implement a policy requiring, on an annual basis, verification of employee's driver's license for validity and review of driving records.

Finding 1.3

Condition

The way the City's PSM #6.16.1, "City Driver Policy" is currently written focuses on the accumulation of points. Points can be avoided by attending driver improvement school. The risks associated with an employee should be based on the number of infractions committed in their driving history, not just accumulated points.

Section 3-F of the PSM states:

If an employee's driving record reveals any of the following convictions or cases pending, a review will be conducted to determine if the employee will retain his/her authorization to drive City vehicles or to drive his/her own vehicle on City business.

- (1) RD (reckless driving) two counts within a twelve-month period
- (2) H&R (hit and run).
- (3) FEL/veh (felony using a vehicle).

- (4) AUM/AUP (allowing unauthorized minor/person to drive)
- (5) VH (vehicle homicide)
- (6) OLF (obtained license fraudulently)
- (7) "The accumulation of eight or more points on his/her driver's license within the past 12 months which are the result of having been cited as being at fault in vehicle accidents."

Criteria

The "City Driver Policy" PSM is an important risk management tool to prevent bad drivers from operating City vehicles and to limit the City's liability in case of accidents. It should be drafted as comprehensively as possible to best serve those two key functions.

Cause

The practical relevance and implications of this provision haven't been properly evaluated.

Impact

If employees with a poor driving record are involved in a vehicular accident, the City could be exposed to significant liability. Therefore, evaluating employees' driving records based on the number of infractions committed in the last 18 months represents a more effective way of managing the risks associated with employees who operate City vehicles.

Recommendation 3

The City Manager should require the Director of Human Resources to add item (8) below in bold to the language in the PSM "City Drivers Policy" #6.16.1 section 3-F as follows:

If an employee's driving record reveals any of the following convictions or cases pending, a review will be conducted to determine if the employee will retain his/her authorization to drive City vehicles or to drive his/her own vehicle on City business.....

- (8) The accumulation of three (3) driving infractions on his/her driver's license within the past 18 months for which the employee was convicted of, or entered a plea of guilty, nolo contendere, or no contest to. This would also apply in cases where the court withheld adjudication so there was no record of conviction.***

Furthermore, PSM #8.1.1 "Usage of City Motor Vehicles" also needs to be revised to reflect the oversight outlined above.

Management Response

Management concurs with Recommendation 3.

Finding 1.4

Condition/Cause

Community Plus has the ability to generate custom reports however, CED staff rarely use this functionality due to the lack of practical guidance materials. CED management personnel were given training on how to use Community Plus to generate custom reports but were not provided with a desk reference manual with step-by-step screenshots.

Criteria

CED staff should be able to easily generate reports to help them manage CED.

Impact

Reports are important tools for monitoring the efficiency and effectiveness of CED. Without specific reports, management can't identify potential problems in a proactive manner.

Recommendation 4

The City Manager should require the Director of the Building Department to provide training to key staff members in CED about how to generate reports from Community Plus. Along with the training, staff should be provided with a user manual with screenshots to maximize the effectiveness of the training.

Management Response

CED management currently utilizes numerous excel and crystal reports which extract data from Community Plus. Over the past year reports were developed in conjunction with IT to pull data from Community Plus on a regular basis to monitor performance goals, objectives and accountability for the division. Each report measures a specific performance or a process.

Generally reports directly available through Community Plus are not sufficient to meet division needs as they lack essential data. The exception to this is the Code Tracker, which supervisors will be trained on to pull data for their respective geographical areas.

Finding 1.5

Condition/Cause

CED does not have a procedure in place to assure periodic and consistent follow up on cases referred to the City Attorney's Office. We tested a random sample of cases from a lien foreclosure log and found that 4 out of 6 or 67% of the cases remained open for 450 days or more and follow-up actions and current status were not updated in Community Plus. CED staff asserted they routinely converse with the City Attorney's Office regarding these cases. However, we could not verify that this communication was actually occurring because it was not documented.

Criteria

Good internal control requires clear communication and timely follow-up of outstanding items.

Impact

CED is not keeping itself informed of the case status and whether or not legal enforcement action has been taken against the violating properties. Code Officers are not aware if re-inspections are needed. In addition, code violation cases may remain outstanding for extended periods of time unnecessarily.

Recommendation 5

The City Manager should require the Director of the Building Department to establish a written procedure that ensures that cases referred to the City Attorney's Office are

followed up on once a month. The notes in Community Plus should be revised for any changes since the last update and should always reflect the current status of the case.

Management Response

Within 60 days written policy will be implemented requiring updates every 60 days on cases referred to the City Attorney's Office recommending foreclosure action. The updates received will be entered into the case file in Community Plus.

OBJECTIVE 2

To determine if written policies and procedures exist and are followed when processing Code Enforcement Inspection cases.

Finding 2.1

Condition

CED does not have a written policies and procedures manual. A fragmented assortment of memorandums gives procedural guidance to staff. These memorandums were developed on an ad hoc basis to address different concerns and could be improved by organizing them into a comprehensive policies and procedures manual.

Criteria

Written policies and procedures are an integral part of any comprehensive framework of internal controls. Standard operating procedures promote consistency and can be used as a training guide for new staff.

Cause

CED has relied on their departmental memos and hasn't prioritized the development of a comprehensive departmental policies and procedures manual.

Impact

Institutional memory loss occurs when senior employees leave and policies and procedures are not written. Furthermore, the accuracy of information suffers as it is informally communicated and it doesn't always reach appropriate parties.

Recommendation 6

The City Manager should require the Director of the Building Department to prepare a written policy and procedures manual to bring the various memoranda and directives together as an integrated whole.

Management Response

Management concurs and is in the process of incorporating previous division written policy, procedures and directives into one comprehensive manual. This change in format will require 120 days to complete in its entirety.

Finding 2.2

Condition

CED does not have a structured operational plan to effectively monitor the quality of inspections performed by the field inspectors.

Criteria

An effective system of quality control depends upon supervisory review and verification of the work of field staff.

Cause

CED hasn't established formal policies and procedures to require supervisors to observe and verify the quality of inspections performed by field code inspectors.

Impact

The lack of physical observation of the field inspectors by the supervisors could lead to inconsistency of code enforcement through out the different areas/districts and quality gaps amongst the field code inspectors.

Recommendation 7

The City Manager should require the Director of the Building Department to develop a procedure that requires CED supervisors to periodically ride with their officers to observe and document the performance of field inspections to assure correct interpretation and application of CFL's code of ordinances. Periodic observation of the field inspection process by the supervisors will ensure consistency of enforcement through out the different areas/districts and serve as a quality control measure.

Management Response

Management concurs, implementing on 9/12/08 a written directive requiring supervisor field audits of inspector cases and mandatory rides with inspectors as a quality control measure and to use as a performance evaluation tool.

OBJECTIVE 3

To determine if the assessments and collections of reimbursable costs and penalties due to the City by delinquent owners are accurate and reasonable.

Finding 3.1

Condition/Cause

CED does not have written policies and procedures to require that contractor's invoices for board ups and demolition work be verified for accuracy. We also noted that 4 out of 5 or 80% of the board up invoices and 6 out of 6 or 100% of the demolition invoices in our sample did not have evidence of supervisory review and approval. Additionally, CED does not require the square footage for a building that is to be demolished be reconciled to the square footage for the property in the Broward County Property Appraiser's records.

Criteria

A strong internal control environment requires supervisory review of vendor invoices to assure the accuracy and appropriateness of the amounts invoiced before a disbursement is made.

Impact

The lack of supervisory review and approval of contractor's invoices for services in connection with board ups and demolition cases can lead to over/under charges.

Recommendation 8

The City Manager should require the Director of the Building Department to establish a written procedure to verify the accuracy of contractor invoices including a reconciliation procedure to tie the square footage invoiced by the demolition contractor with the square footage indicated in the Broward County Property Appraiser's public records. Furthermore, each invoice should require the signature or initials of the reviewer.

Management Response

Management concurs and within 60 days will implement a procedure of quality control to verify the accuracy of contractor invoices and accuracy of square footage submitted.

Finding 3.2

Condition

CED does not have a written procedure that prescribes escalated fines for recurring violations at the same site. In addition, the division has not established a registration program for vacant properties.

Criteria

An escalated fine structure can help discourage recurring offenses and can be used as a tool to motivate recurring offenders to bring their properties into compliance and fully maintain it thereafter.

Auditor Note: The Florida Statutes section 162.04 (5) narrowly defines a "Repeat Violation as a violation of a provision of a code or ordinance by a person who has previously found through a code enforcement board or any quasi-judicial or judicial process, to have violated or who has admitted violating the same provision within 5 years prior to the violation, notwithstanding the violations occur at different locations. In practice however many repeat offenders have not been adjudicated or would not be willing to admit to previous violations.

Cause

Until recently, CED did not have an efficient way of tracking recurring offenders in Community Plus. Furthermore, the division has not instituted a registration fee for vacant properties to address the additional cost associated with maintaining vacant properties as a result of the foreclosure crisis.

Impact

The City is missing an opportunity to reduce the number of recurring violations by not instituting and enforcing an escalated fine structure. Furthermore, without additional

revenue, the City's costs for maintaining vacant properties will continue to be a drain on general fund resources.

Recommendation 9

We recommend that the City Manager require the Director of the Building Department:

- 1) To establish a escalated structure of fines for recurring offenders and incorporate these changes into the City's Code of Ordinances and,
- 2) To establish a registration fee program for vacant properties.

Management Response

Recommendation number 1 has been accomplished through the recent revision of Chapter 11, which provides provisions for increased fines for repeat violators. Under Division 3 of Chapter 11 repeat violators may be fined up to \$1000.00 per day and under Division 4 repeat violator fines are doubled up to \$500.00, which is the maximum allowed for a civil penalty. In addition, the new ordinance holds recurring violators accountable even if such violators comply prior to a hearing.

Management concurs with recommendation number 2 and has submitted a draft to the City Attorney's Office of an ordinance requiring a registration fee for vacant properties.

OBJECTIVE 4

To determine the accuracy and timeliness of initiating, perfecting, collecting and removing liens

Finding 4.1

Condition

CED does not have a written procedure to require that liens be perfected/filed in the public records of the County within 30 days of the imposition of an order by the Code Enforcement Board, Special Magistrate, or a City Commission resolution approving a hard cost lien. Our testing of liens revealed that 7 out of 30 or 24% cases were not recorded in the public records within 30 days.

Criteria

The CED Assistant Manager indicated that CED's informal practices prescribe that liens be recorded within 30 days of the imposition of an order by the Code Enforcement Board, Special Magistrate, or a City Commission resolution approving a hard cost lien.

Cause

CED does not a written procedure in place to assure liens are perfected and filed in the County's public records within 30 days of imposition.

Impact

If a lien is not timely recorded/perfected the City is at risk of not having the ability to enforce collections on delinquent properties.

Recommendation 10

The City Manager should require the Director of the Building Department to formalize the current CED informal practices and develop written procedures regarding the timeline for recording a lien in the Broward County Public Records. In addition, the actual time to record a lien should be periodically monitored to ensure that liens are actually recorded within the 30 day prescribed timeline.

Management Response

Management concurs with recommendation 10:

- 1) Written procedures will be developed within 60 days to formalize a division goal of recording liens resulting from code enforcement board and special magistrate orders within 30 days of hearings.
- 2) Procedures will be developed within 60 days to ensure timely recording of lot clearing liens, board up liens and demolition liens.

Finding 4.2

Condition

CED does not have a written policy to require that photos of a violation be taken during the initial inspection and again when the property has been brought back into compliance. Their informal practices require photos of the violation if the case is going to be presented before the CEB of SM¹. However, CAO testing of this assertion revealed that 3 out of 15 or 20% of these cases did not have the required photos in the file.

Criteria

Good internal controls require that pictures be taken to evidence the initial violation and again to show the resolution of the violating condition to close the case.

Cause

CED does not have a policy that requires officers to take pictures of the initial inspection and when the property has been brought back into compliance.

Impact

A case can be closed without sufficient evidence that inspections have been performed and that violating properties have been brought back into compliance.

Recommendation 11

The City Manager should require the Director of the Building Department to develop a policy to require that code enforcement officers take a before and after picture showing the initial violation and evidence that the property has been brought back into compliance, thus supporting their conclusions for closing the case. These pictures, along with the case documentation should be filed in the respective case file and electronically attached in Community Plus.

¹ CEB = Code Enforcement Board and SM = Special Magistrate. Both are quasi-judicial bodies that conduct hearings and adjudicate violations of the City's Code of Ordinances or the Florida Building Code.

Management Response

Management believes that requiring photos of all violations is problematic in that it will negatively impact productivity due to the lengthy period of time required by the inspectors to download photos and attach to cases. Requiring photos of all violations and compliance resulting from such cases would increase the number of photos taken by approximately 700% and would not necessarily prove or disprove compliance.

The CED believes the current policy of requiring photos of violations when formal enforcement begins is sufficient. However, we are in agreement and will implement a written policy that compliance photos are taken once formal enforcement action is initiated. There is also a current policy of requiring photos regarding bulk trash violations. We will also implement a policy requiring photos involving City costs or City abatement of violations (red tagging of derelict vehicles to be towed, lot clearing, boarding up of structures etc.). Within 30 days a written directive will be completed tying in all of the above scenarios where inspection photos will be required.

In terms of quality control, GPS reports can verify if inspections have been conducted as well as the previously mentioned implementation of field audits by supervisors to monitor inspections.

Finding 4.3

Condition

CED does not have written procedures to prescribe an appropriate timeline specifying when a request to impose a cost recovery (i.e. hard lien) should be brought to the City Commission for approval (the CAO noted that these cases are not adjudicated by the CEB or SM). Furthermore, CED does not have an operational practice to effectively monitor when one of these cases should be brought before the City Commission for approval. The CAO determined that it took the CED an average of 111 days to get Commission approval to impose a hard lien for lot clearing work completed by public works staff. There were two outliers where it took 134 and 235 days respectively.

Criteria

Good internal controls require expeditious processing and timely filing of liens to protect the interests of the City.

Cause

CED does not have a procedure that prescribes a set timeline to present a request to impose a hard cost lien to the City Commission.

Impact

The delay to get Commission approval to impose a hard cost lien puts the City at risk of not being able to recover the out of pocket costs incurred by the City to bring these violating properties into compliance.

Recommendation 12

The City Manager should require the Director of the Building Department to develop a written procedure that prescribes a reasonable timeline to present these types of cases to the City Commission to assure that hard cost lien cases are processed in a timely manner.

Management Response

Management concurs and will implement a written policy within 60 days regarding reasonable time periods in which hard cost liens resulting from abatement (lot clearing, demolitions) are presented before the city commission.

OBJECTIVE 5

To determine if safeguards and security controls over hardware, software, and other technology equipment is adequate

Conclusion

Based on a review of policy documents and equipment logs, the CAO determined that CED Information Technology security controls are sufficient to safeguard the division's technology equipment.

Engagement Staff:

Martha Romero, Staff Auditor

James Hamill, Audit Manager

BUILDING DEPARTMENT

CODE ENFORCEMENT DIVISION

MEMORANDUM No. CE 08-472

DATE: September 23, 2008

TO: James Hamill, Audit Manager

FROM: Michael Maloney, Code Enforcement Manager 

VIA: Valerie Bohlander, Building Department Director 

SUBJECT: Code Enforcement Division Audit

This memorandum is management's response to the recommendations of the City Auditor's Office after having conducted a review of the Code Enforcement Division:

Recommendation 1

The City Manager should require the Director of the Building Services Department to enroll in DOR's RISE program and develop a procedure to perform a quarterly match comparison between DOR's the Sales Tax Registrant file and the City's business tax master file.

Management Response

The Department will explore enrolling in DOR's RISE program and if found to be workable will set up procedures within 120 days for the purpose of matching the City's business tax master file to DOR's Sales Tax Registrant file.

Recommendation 2

We recommend that the City Manager require the Director of Building Services Department develop an annual plan to verify compliance with the City's PSM "City Driver Policy" #6.16.1 section 3-G. Supervisors can easily determine if an employee has a valid driver's license by checking website <https://www6.hsmv.state.fl.us/dlcheck/dlchecking>. CED can also request a historical abstract of an employee's driving record to check infractions for a minimal cost: \$2.10 - 3 years, or \$3.10 - 7 years or complete history.

Management Response

Within 60 days the Division will implement a policy requiring, on an annual basis, verification of employee's driver's license for validity and review of driving records.

Recommendation 3

The City Manager should require the Director of Human Resources to add item (8) below in bold to the language in the PSM "City Drivers Policy" #6.16.1 section 3-F as follows:

If an employee's driving record reveals any of the following convictions or cases pending, a review will be conducted to determine if the employee will retain his/her authorization to drive City vehicles or to drive his/her own vehicle on City business.....

- (8) **The accumulation of three (3) driving infractions on his/her driver's license within the past 18 months for which the employee was convicted of, or entered a plea of guilty, nolo contendere, or no contest to. This would apply in cases where the court withheld adjudication so there was no record of conviction.**

Furthermore, the PSM #8.1.1 "Usage of City Motor Vehicles" also needs to be revised to reflect the oversight outlined above.

Management Response

Management concurs with Recommendation 3.

Recommendation 4

The City Manager should require the Director of the Building Services Department to provide training to key staff members in CED about how to generate reports from Community Plus. Along with the training, staff should be provided with a user manual with screenshots to maximize the effectiveness of the training.

Management Response

CED management currently utilizes numerous excel and crystal reports which extract data from Community Plus. Over the past year reports were developed in conjunction with IT to pull data from Community Plus on a regular basis to monitor performance goals, objectives and accountability for the division. Each report measures a specific performance or a process.

Generally reports directly available through Community Plus are not sufficient to meet division needs as they lack essential data. The exception to this is the Code Tracker, which supervisors will be trained on to pull data for their respective geographical areas.

Recommendation 5

The City Manager should require the Director of the Building Services Department to establish a written procedure that ensures that cases referred to the City Attorney's Office are followed up on once a month. The notes in Community Plus should be revised for any changes since the last update and should always reflect the current status of the case.

Management Response

Within 60 days written policy will be implemented requiring updates every 60 days on cases referred to the City Attorney's Office recommending foreclosure action. The updates received will be entered into the case file in Community Plus.

Recommendation 6

The City Manager should require the Director of the Building Services Department to prepare a written policy and procedures manual to bring the various memorandum and directives together as an integrated whole.

Management Response

Management concurs and is in the process of incorporating previous division written policy, procedures and directives into one comprehensive manual. This change in format will require 120 days to complete in its entirety.

Recommendation 7

The City Manager should require the Director of Building Services Department to develop a procedure that requires CED supervisors to periodically ride with their officers to observe and document the performance of field inspections to assure correct interpretation and application of

CFL's code of ordinances. Periodic observation of the field inspection process by the supervisors will ensure consistency of enforcement through out the different areas/districts and serve as a quality control measure.

Management Response

Management concurs, implementing on 9/12/08 a written directive requiring supervisor field audits of inspector cases and mandatory rides with inspectors as a quality control measure and to use as a performance evaluation tool.

Recommendation 8

The City Manager should require the Director of the Building Services Department to establish a written procedure to verify the accuracy of contractor invoices including a reconciliation procedure to tie square footage invoiced by the demolition contractor with the square footage indicated in the Broward County Property Appraiser's public records. Furthermore, each invoice should require the signature or initials of the reviewer.

Management Response

Management concurs and within 60 days will implement a procedure of quality control to verify the accuracy of contractor invoices and accuracy of square footage submitted.

Recommendation 9

We recommend that the City Manager require the Director of the Building Services Department

- 1) To establish a escalated structure of fines for repeat offenders and incorporate these changes into the City's Code of Ordinances and,
- 2) To establish a registration fee program for vacant properties.

Management Response

Recommendation number 1 has been accomplished through the recent revision of Chapter 11, which provides provisions for increased fines for repeat violators. Under Division 3 of Chapter 11 repeat violators may be fined up to \$1000.00 per day and under Division 4 repeat violator fines are doubled up to \$500.00, which is the maximum allowed for a civil penalty. In addition, the new ordinance holds recurring violators accountable even if such violators comply prior to a hearing.

Management concurs with recommendation number 2 and has submitted a draft to the City Attorney's Office of an ordinance requiring a registration fee for vacant properties.

Recommendation 10

The City Manager should require the Director of the Building Services Department to formalize the CED informal practices and develop written procedures regarding the timeline for recording a lien in the Broward County Public Records. In addition, the actual time to record a lien should be periodically monitored to ensure that liens are actually recorded within the 30 day prescribed timeline.

Management Response

Management concurs with recommendation 10:

- 1) Written procedures will be developed within 60 days to formalize a division goal of recording liens resulting from code enforcement board and special magistrate orders within 30 days of hearings.

- 2) Procedures will be developed within 60 days to ensure timely recording of lot clearing liens, board up liens and demolition liens.

Recommendation 11

The City Manager should require the Director of the Building Services Department to develop a policy to require that code enforcement officers take a before and after picture showing the initial violation and evidence that the property has been brought back into compliance, thus supporting their conclusions for closing the case. These pictures, along with the case documentation should be filed in the respective case file and electronically attached in Community Plus.

Management Response

Management believes that requiring photos of all violations is problematic in that it will negatively impact productivity due to the lengthy period of time required by the inspectors to download photos and attach to cases. Requiring photos of all violations and compliance resulting from such cases would increase the number of photos taken by approximately 700% and would not necessarily prove or disprove compliance.

The CED believes the current policy of requiring photos of violations when formal enforcement begins is sufficient. However, we are in agreement and will implement a written policy that compliance photos are taken once formal enforcement action is initiated. There is also a current policy of requiring photos regarding bulk trash violations. We will also implement a policy requiring photos involving City costs or City abatement of violations (red tagging of derelict vehicles to be towed, lot clearing, boarding up of structures etc.). Within 30 days a written directive will be completed tying in all of the above scenarios where inspection photos will be required.

In terms of quality control, GPS reports can verify if inspections have been conducted as well as the previously mentioned implementation of field audits by supervisors to monitor inspections.

Recommendation 12

The City Manager should require the Director of the Building Services Department to develop a written procedure that prescribes a reasonable timeline to present these types of cases to the City Commission to assure that hard cost lien cases are processed in a timely manner.

Management Response

Management concurs and will implement a written policy within 60 days regarding reasonable time periods in which hard cost liens resulting from abatement (lot clearing, demolitions) are presented before the city commission.