

**Code Compliance Process Follow-Up Audit
April 2016**

Lori Brooks, City Auditor
Susan Edwards, Assistant City Auditor
Abraham Gandarilla, Staff Auditor



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Honorable Mayor and Members of the City Council:

We have completed the Code Compliance Process Follow-Up Audit. The audit objective was to determine the implementation status of prior audit recommendations.

Audit follow-up procedures indicate management has implemented the audit recommendations.

We would like to thank the Code Compliance Services staff for their assistance and cooperation during the audit.

Lori Brooks

Lori Brooks, CPA, CIA, CGAP, CRMA
City Auditor

c: Trey Yelverton, City Manager
Theron Bowman, Deputy City Manager
Jim Parajon, Deputy City Manager
Gilbert Perales, Deputy City Manager
Mike Bass, Assistant Director, Code Compliance Services

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Executive Summary

As part of the 2016 Annual Audit Plan, the City Auditor's Office conducted a follow-up audit of the Code Compliance Process Audit released in December 2014. 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 objective. The audit objective was to determine the implementation status of prior audit recommendations.

Management concurred with both recommendations in the initial audit report. Audit follow-up procedures indicate management has addressed the audit recommendations.

In the original audit report, it was noted that a significant percentage of the complaints reviewed resulted in a final status of "No Violation Found." It was also noted that only 62% had been inspected within the 3 day period prescribed by policy. It was recommended that the Code Ranger Program be further utilized to potentially increase efficiency by reducing staff responses to complaints where there was no violation or the violation had already been addressed. The following was noted during the follow-up audit:

- The Code Ranger program was revised and Code Rangers are further utilized to observe specific open complaints.
- The percentage of responses to complaints resulting in a "No Violation Found" final status has decreased, and the percentage inspected within three days has increased.

Audit Scope and Methodology

The following methodology was used in completing the audit:

- Interviewed key staff regarding implementation efforts
- Reviewed relevant documentation supporting implementation efforts
- Performed various analyses to determine if improvements were made

Status of Prior Audit Recommendations

AUDIT RECOMMENDATION	CONCUR /DO NOT CONCUR	MANAGEMENT'S RESPONSE	RESPONSIBLE PARTY	DUE DATE	IMPLEMENTATION STATUS
<p>1. The City Auditor's Office recommends that the Assistant Director over the Code Compliance Services Department evaluate the feasibility of establishing a program whereby Code Rangers are further utilized to observe specific open complaints. Such a program may reduce the number of cases that Code Compliance Services must physically observe; thereby, improving the efficiency and effectiveness of the department.</p>	Concur	<p>Management is currently in the process of determining the feasibility of expanding assigned tasks and activities of citizens, who participate in the Code Ranger program. This project is identified as a FY15 Business Plan item.</p>	East Field Operations Manager	3/2015	<p>The Code Ranger Program was revised to include quarterly training opportunities, enhanced initial Code Ranger program training, ride-outs with Code Compliance Officers, and monitoring of vacant properties city-wide.</p> <p>Internal Audit noted that the percentage of responses to complaints resulting in a "no violation found" status has decreased since the original audit was completed.</p>
<p>2. The City Auditor's Office recommends that the Assistant Director over the Code Compliance Services Department ensure nuisance complaints are inspected in a timely manner.</p>	Concur	<p>Management will continuously monitor workload data in order to ensure that the performance measure of conducting an initial investigation of a complaint occurs within three business days of receipt.</p>	Assistant Director, Code Compliance Services	Ongoing	<p>Internal Audit noted that for those complaints resulting in a "no violation found" status, the percentage inspected within 3 days has increased since the original audit was completed.</p>