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PLANNING AND FINANCE DEPARTMENTS
ZONING AND LICENSE INSPECTION SERVICES

APRIL 28, 2009

MAYOR AND CITY COUNCIL

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April 28, 2009

The Mayor and City Council:

The Office of the City Auditor has completed an audit to assess, as of June 30, 2008, whether potential benefits could be realized from consolidating Planning and Finance Department inspection services in other departments. We did not assess effectiveness of inspection services or attempt to identify appropriate inspector workloads based on current operations or given recommended changes. Results of our audit, which are discussed in more detail in the attached report, are summarized below:

Planning Department – Nuisance and Construction Inspection Services

Planning Department nuisance and construction inspection services should be consolidated in the Neighborhood Services and Public Works Departments, respectively. These departments are primarily responsible for nuisance and construction inspections in the City. There are nine zoning inspectors in the Planning Department. Based on complaint data, construction data and discussions with management, six full-time equivalent inspector positions perform nuisance inspections and three full-time equivalent inspector positions perform construction inspections.

Consolidating nuisance inspection services along with moving six zoning inspector positions to the Neighborhood Services Department and cross-training code inspectors to address zoning violations could result in scheduling and travel efficiencies, reduce the size of areas assigned to inspectors and place more inspectors in the field with expertise in zoning requirements. Efficiencies gained from consolidation could provide management with opportunities to provide enhanced services (e.g., reduced response times, proactive inspections, etc.) or reduce operating costs. See Recommendations 1 and 2.

Consolidating zoning related construction inspections along with moving three zoning inspector positions to the Public Works Department and cross-training for commercial building zoning, fence and sign inspections could result in scheduling and travel efficiencies and reduce the number of on-site visits by inspectors. See Recommendations 3 through 5.

**EXECUTIVE SUMMARY – PLANNING AND FINANCE DEPARTMENTS
ZONING AND LICENSE INSPECTION SERVICES**

Finance Department – License Inspection Services and License Enforcement Efforts


Finance Department license inspection services should be consolidated in the Neighborhood Services Department and the Finance Department's license enforcement efforts should be redirected.

Cross-training Neighborhood Services Department code inspectors to address licensing violations could result in scheduling and travel efficiencies and will place more inspectors in the field with expertise in licensing requirements. See Recommendations 1 and 9.

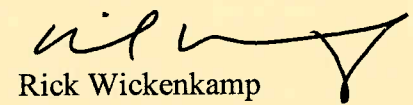
Initially contacting delinquent businesses regarding license renewal via mail or telephone; the Oklahoma City/County Health Department issuing City special event licenses and collecting related fees; and expanding comparisons of businesses licensed in the City to business listings from other sources could enhance operational efficiencies and improve enforcement results. See Recommendations 6, 7 and 8.

There are three license inspector positions in the Finance Department. One position should be retained to carry out the enforcement procedures discussed above. Two license inspector positions should be moved to the Neighborhood Services Department to support license related inspections (e.g., licensing complaints, businesses failing to respond to renewal notices, potentially unlicensed businesses, unlicensed peddlers and garage sales without permits). See Recommendation 10.

The content and emphasis of the items in this report have been discussed in detail with appropriate representatives from management. These discussions were held to assure a complete understanding of the recommendations and observations arising from our audit. Management's response is included in Appendix II of this report.


Jim Williamson
City Auditor


Michele Keller
Audit Manager


Rick Wickenkamp
Audit Manager

PLANNING AND FINANCE DEPARTMENTS ZONING AND LICENSE INSPECTION SERVICES

AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

The objective of this audit was to assess, as of June 30, 2008, whether potential benefits could be realized from consolidating Planning and Finance Department inspection services in other departments.

We identified all City departments with inspection activities and obtained an understanding of their specific code enforcement efforts. The Neighborhood Services Department (Neighborhood Services), Planning Department (Planning), Finance Department (Finance) and Public Works Department (Public Works) perform similar inspection activities and were selected for more detailed assessment.

Procedures performed during this audit included interviewing management and inspectors, reviewing complaint and construction system data and examining inspector work logs. We also surveyed the ten cities listed in Appendix I to this report regarding inspection services. We did not assess effectiveness of inspection services or attempt to identify appropriate inspector workloads based on current operations or given changes recommended in this report.

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 audit 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. Management's response to the recommendations included in this report are contained in Appendix II.

NUISANCE INSPECTIONS

Consolidating Planning and Finance's nuisance inspection services in Neighborhood Services and cross-training inspectors to address property maintenance, zoning and licensing violations could enhance operational efficiencies and provide opportunities for improved service levels.

While code enforcement is not a component of Planning or Finance mission statements, Neighborhood Service's mission statement clearly and distinctly includes code enforcement.

Neighborhood Services environmental code inspectors (code inspectors) are responsible for enforcing various code violations related to housing and property maintenance as well as certain zoning related code violations (e.g., illegal parking and view obstructions). Some of these violations, if not addressed by property owners, can be abated by the City as allowed under Title 11 of the Oklahoma Statutes.

