Crowe Horwath.

TOWN OF PALM BEACH

PLANNING ZONING AND BUILDING DEPARTMENT

For the Period Ended
December 31, 2010

May 2011

Distribution:
Audit Committee

Crowe Internal Audit Team:
Deborah Garringer
Michael Ciminero
Kavita Misra
Corinne Ahrend

EXECUTIVE SUMMARY

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Appendix A – Town of Palm Beach, Planning, Zoning, Building Department Process Flows

EXECUTIVE SUMMARY

Background and Objective

Crowe Horwath LLP ("Crowe" or "we") performed an internal audit on the Town of Palm Beach's Planning Zoning and Building Department ("Building Department" or "Department") as of December 2010. The overall objective was to review controls over the Department's accounting functions and documented processes, specifically related to the Department's revenues. We reviewed policies and procedures, interviewed Department personnel, and performed testing on certain sampled items related to processing of receipts, building permits, business taxes, and inspections.

The objective of the internal audit was to evaluate and test the design and effectiveness of internal controls for documentation that procedures implemented ensure compliance with local and state laws. Procedures to be evaluated include the following:

- Procedures implemented to issue building permits and perform inspections in accordance with Florida's Building Code and Town Ordinances.
- Procedures implemented to monitor Customer Service Response.
- Procedures implemented to administer the Business Tax Receipt Licensing Program.

Scope

The specific procedures performed were based on the concepts of selective testing. Although our testing was performed in some areas without exception, we can provide no assurance that exceptions would have been detected had procedures been changed or expanded.

It should also be recognized that internal controls are designed to provide reasonable, but not absolute, assurance that errors and irregularities will not occur, and that procedures are performed in accordance with management's intentions. There are inherent limitations that should be recognized considering the potential effectiveness of any system of internal controls. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes on judgment, carelessness and other factors. Internal control procedures can be circumvented intentionally by management with respect to the execution and recording of transactions, or with respect to the estimates and judgments requirement in processing of data. Controls may become ineffective due to newly identified business or technology exposures. Further, the projection of any evaluation of internal control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, and that the degree of compliance with procedures may deteriorate.

Summary of Results:

Overall, the Department has appropriate internal control measures in place to ensure that the Department is operating as intended; however, we did note some areas where improvements, if implemented, could strengthen the overall internal control framework.

EXECUTIVE SUMMARY

Below is a summary of Crowe's audit procedures where we noted areas of improvement. We also listed the corresponding opportunity for improvement, summary, and risk rating. The detail for this table can be found on page 11 of this report:

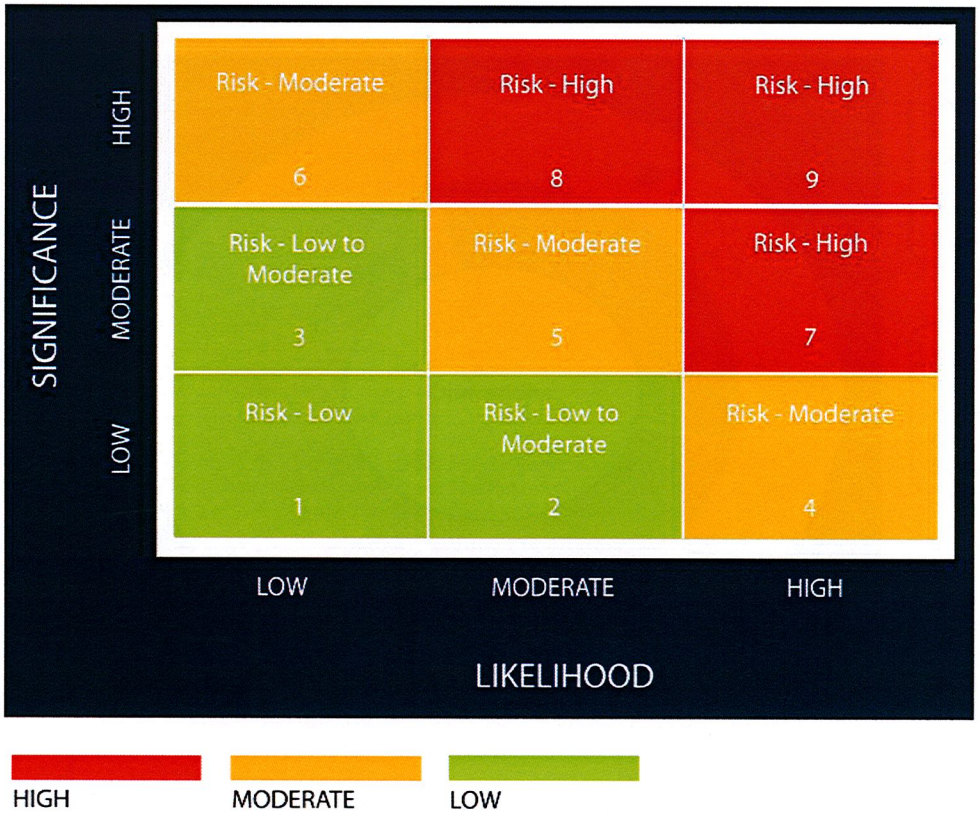
Audit Procedure	Opportunity for Improvement	Audit Finding	Risk Rating
Building Permits and Inspections	1	Monitoring of Open or Expired Permits	MEDIUM RISK
Building Permits and Inspections	2	Incomplete Permit File Documentation	MEDIUM RISK
Cash Receipts	3	Recording of Cash Transactions	LOW RISK
Business Tax Receipts	4	Segregation of Duties Related to Business Tax Receipts	HIGH RISK
Building Permits and Inspections	5	Lack of information and Formal Monitoring of Building Permit Status	MEDIUM RISK

During our audit we noted that three years ago Code Enforcement was part of the Planning, Zoning, and Building Department. In 2008, the Code Enforcement branch was transferred to the Police Department. The Building Department continues to use Code Enforcement for assistance on customer complaints, unpaid Business Tax receipts, and other enforcement.

EXECUTIVE SUMMARY

Rating Risk

Risks are evaluated based on its "significance" to management's strategy and its "likelihood" to occur. This will result in a risk profile of the highest risks to the organization as presented below:



The Crowe Horwath Risk Model SM

Definition of Risk
Business risk is an event, action, or failure to act that may adversely affect an organization's ability to achieve its business objectives and successfully implement its strategies. Below is a graphic profile of Crowe's Risk Model, which identifies various types of risk:

PROCEDURES PERFORMED

PROCEDURES	*RESULTS*
Procedures implemented to issue building permits and perform inspections in accordance with Florida's Building Code and Town Ordinances	
1. Through interviews with Management and review of documented policies and procedures, document the procedures over issuing building permits and performing inspections. Document the process through preparation of a flow chart. Specifically focus on the internal controls over each of the process, documenting the individuals involved, documentation related to review and approval, etc.	Interviewed management and documented results. We noted a lack of reconciliation procedures, **see Opportunity for Improvement 1**.
a. Review the procedure and determine whether appropriate internal controls are implemented to ensure that building permits are issued based on the Building Code and Town Ordinances.	Reviewed and documented internal controls, **see Opportunity for Improvement 1**.
i. Document the type of reviews and sign-offs are included in the process.	Documented, the building permit software (a module of the Eden system) has built in approvals for each of the permit stage(s). No issues noted.
ii. Specifically document how the Department ensures that all permit and inspection activity is properly included in the system.	Eden has built in approvals for each of the permit stage(s). No issues noted.
iii. Document how information included on the website (correlates with the information in Eden.	Documented. Contractors may acquire access to Eden on-line system to schedule payments and inspections.
2. Choose a random sample of 50 permits from calendar year 2010 from the Eden System.	Sample selected.
a. For each permit, document whether appropriate documentation was submitted by the requestor and reviewed by the Department. Determine whether the documented procedure was adhered to and document differences.	Crowe selected and tested fifty (50) permits. We observed instances of where the documentation did not conform to the existing policies and procedures, **see Opportunity for Improvement 2**.
b. For each sample permit, document whether proper inspections were performed, documented, and approved.	Crowe selected and tested fifty (50) permits. .See Opportunity for Improvement 2.
c. In the testing spreadsheet, document specifics of the permit related to date, type of work performed.	For the fifty (50) permits selected and tested, Crowe included the details of type of permit, application date, approval date, and permit number.
d. Determine whether the appropriate fees were collected by the Department, based on the type of work performed.	No issues noted.
e. Determine whether the Department completed the proper application sufficiency checklist.	Crowe selected and tested fifty (50) permits. We observed instances where the documentation did not confirm to the existing policies and procedures, see Opportunity for Improvement 2.
f. Perform an analysis of permits to determine the length of time from submission of permit application to permit issuance.	Crowe was unable to perform the analysis based on the information available from the Department, **See Opportunity for Improvement 5**

PROCEDURES PERFORMED

PROCEDURES	*RESULTS*
Procedures implemented to issue building permits and perform inspections in accordance with Florida's Building Code and Town Ordinances continued	
g. Testing should be performed based on the Department's documented procedures below. • All requirements and documentation, as outlined in the "Activity Check List" on the "Permit Actions" form (within the action line) is completed and/or attached. • There are no open or expired permits (e.g. not final) on a property since October 6, 2008 (institution of the new permit system). This provision may be waived under emergency circumstances as determined by the building official. • A permit application for a job that has a General Contractor (GC) must have the GC's signature on Page 1 and the Master Permit # in order to process the permit application • A permit must be submitted by a GC if there exist a number of smaller recently-issued permits, which indicate that a GC may be necessary (check with Building Official to see if a GC is needed) • The permit application must be submitted by the GC on the job (may not be submitted by a 2nd GC, (cert= CBC, CGC, CEC, etc, or description of work indicates that a GC is required); (can't have 2 GCs on a job). This requirement may be waived by the building official under unusual circumstances. • All applicable schedules are completed on Page 2 of the permit application. • The permit application must include a recorded, notarized Notice Of Commencement, for work equal to or greater than $2,500, or A/C replacement work equal to or greater than $7,500. • Plans must be black-line, signed and sealed. • All revised plans must be bubbled with a new revision date on each applicable page. • Plans must be within the size limit in accordance with Department policy • Permit application must be complete, signed and notarized as required. • All fees on the parcel owing to the Town must be paid. (If not, Town must issue letter explaining why permit cannot be accepted). • Permit must be for a validated address • All permit fees are due upon permit application submission.	Crowe selected and tested fifty (50) permits. Crowe noted the following exceptions during testing: • For twelve (12) of the fifty (50) sample items tested we noted there were open or expired permits on the property at the time a new permit was issued, **see Opportunity for Improvement 2** • For six (6) of the fifty (50) sample items tested, we noted that not all the required schedules on page 2 of the application were completed, **see Opportunity for Improvement 2** • For one (1) of the fifty (50) sample items tested, we noted that the related plans could not be located during testing, **see Opportunity for Improvement 2** • For one (1) of the fifty (50) sample items tested, we noted that a new permit was issued when there was a hold on the property for a returned check related to an earlier permit, **see Opportunity for Improvement 2** • For two (2) of the fifty (50) sample items tested, we noted that the permit fees were not paid on date of permit application, **see Opportunity for Improvement 2**
3. Choose a random sample of 20 inspections from calendar year 2010 from the Eden System.	Sample selected. No issues noted.
a. Determine if inspections occur within 24 hours of the request in Eden.	Crowe selected and tested twenty (20) inspections. No issues noted.
b. For each inspection, document whether appropriate documentation was submitted by the requestor and reviewed by the Department. Determine whether the documented procedure was adhered to and document differences.	Crowe selected and tested twenty (20) inspections. No issues noted.
c. For each sample inspection, document whether the inspections were performed, documented, and marked as pass/fail within the Eden system.	Crowe selected and tested twenty (20) inspections. No issues noted.
d. For any re-inspection fees assessed for several (3 or more) "failed" inspections, determine if those fees were collected in a timely manner ($75).	Crowe selected and tested twenty (20) inspections. No issues noted.

PROCEDURES PERFORMED

PROCEDURES	*RESULTS*
Procedures implemented to handle and record cash receipts	
1. Through interviews with Management and review of documented policies and procedures, document the procedures over the handling of cash.	Reviewed and documented internal controls **see Opportunity for Improvement 3.**
a. Document all requirements for the Department to handle cash and determine who handles records,and reconciles cash transactions.	Documented. The Department's permit branch handles cash, records in Eden and reconciles on a daily basis. **see Opportunity for Improvement 3.**
b. Review the procedure and determine whether appropriate internal controls are implemented to ensure that cash received is handled appropriately, tracked, and reconciled.	Reviewed and documented internal controls **see Opportunity for Improvement 3.**
c. Document how pre-numbered receipts are used, if at all.	Documented. Eden receipts are issued upon collection of payment, the receipts are pre-numbered, no issues noted.
2. Document what type of documentation, reviews and sign-offs are included in the process and whether they are sufficient. Obtain reports tracking the Business Tax Receipt Licensing for the period of January 1, 2010 through December 31, 2010.	Sample selected. No issues noted.
d. Choose a sample of 30 transactions from calendar year 2010. (Samples from other testing may be used.)	Crowe selected and tested thirty (30) cash receipts. No issues noted.
e. For each incident, document whether the cash received was handled in compliance with any documented policies and procedures.	Crowe selected and tested thirty (30) cash receipts. No issues noted.
f. Determine and document whether each amount of cash received agrees to amounts included on supporting documentation.	Crowe selected and tested thirty (30) cash receipts. No issues noted.
Identification and Reporting of Ethics Violations in Accordance with Town Policies	
1. Through interviews with Management and review of documented policies and procedures, document the procedures over identifying and reporting ethics concerns in accordance with Town policies.	Reviewed documented policies and procedures. No issues noted.
a. Review the procedure and determine whether appropriate internal controls are implemented to ensure that requirements in this area are monitored, followed up on, and in compliance with Town and County policies.	Reviewed documented policies and procedures. No issues noted.
b. Document if there are processes in place by the Department to monitor the personal use of any Town vehicles, in compliance with Town ordinances.	Documented. The Department follows the Town's polices and procedures and Management and the Department has a policy in place to ensure all vehicles are used for Town purposes only. No issues noted.
i. Document which employees have access to Town vehicles and whether internal controls are in place to determine when, and if, vehicles are used for purposes other than Town business.	Documented. The Department follows the Town's polices and procedures and Management and the Department has a policy in place to ensure all vehicles are used for Town purposes only. No issues noted.
c. In compliance with Town ordinance, determine whether the Department has a process in place for employee reporting of payments from residents, or related to payments from any outside entities. Obtain reports from the Human Resource Department related to reporting of monies and/or gifts received by Department employees.	Documented. The Department reminds the staff informally at every staff meeting and formally around the holidays not to accept any monies/gifts. Furthermore all staff is required to report any monies received for additional work performed to the Town on an annual basis. Crowe reviewed reports provided by the Human Resource department. No issues noted.

PROCEDURES PERFORMED

PROCEDURES	RESULTS
Identification and Reporting of Ethics Violations in Accordance with Town Policies, continued	
i. Determine whether the Department is aware of any employees receiving funds or payments by outside entities, or Town residents.	Documented. The Department reminds the staff informally at every staff meeting and formally around the holidays not to accept any monies/gifts. Furthermore, all staff is required to report any monies received for additional work performed to the Town on an annual basis. No issues noted.
Procedures implemented to administer the Business Tax Receipt Licensing Program	
1. Through interviews with Management and review of documented policies and procedures, document the procedures over the administration of the Business Tax Receipt Licensing Program. Document the process through preparation of a flow chart.	Reviewed and documented internal controls **see Opportunity for Improvement 4.**
a. Review the procedure and determine whether appropriate internal controls are implemented to ensure that the fees related to the program are appropriately levied and collected, as required by Town Ordinance 9-07.	Reviewed and documented internal controls. No issues noted.
b. As part of the interview, document how the Department ensures that all businesses that fall within the requirements of the Ordinance, are appropriately levied a Business Tax.	Documented. Both the Department and the Police Department's Code Enforcement branch ensure that all businesses have paid the proper Business Tax Receipt. No issues noted.
2. Document what type of documentation, reviews and sign-offs are included in the process and whether they are sufficient. Obtain reports tracking the Business Tax Receipt Licensing for the period of January 1, 2010 through December 31, 2010.	Documented and tested. No issues noted.
a. Choose a sample of 50 Business Tax Receipts collected during calendar year 2010 to verify the amounts collected were in compliance with Town Ordinance.	Sample selected. No issues noted
i. For each receipt, document whether the receipt collected was in compliance with the Town Ordinance.	Crowe selected and tested fifty (50) business tax receipts. No issues noted.
ii. Document the type of documentation available to support the Tax Receipt. Based on specific requirements, prepare a testing worksheet that encompasses all requirements.	Crowe selected and tested fifty (50) business tax receipts. No issues noted.
iii. For any late payments, document whether fines were assessed.	Crowe selected and tested fifty (50) business tax receipts. No issues noted.
b. Choose a sample of 40 businesses that fall under the Business Tax Receipt ordinance to verify amounts were collected.	Sample selected. No issues noted.
i. For each business, document whether the Business Tax Receipt was collected during 2010.	Crowe selected and tested forty (40) business tax receipts. No issues noted.
ii. If the Business Tax Receipt was collected after September 2010 ensure a late fee was assessed and collected.	Crowe selected and tested forty (40) business tax receipts. No issues noted.
iii. If the Business Tax Receipt was not collected during 2010 ensure follow-up is being conducted by Code Enforcement to collect the delinquent tax.	Crowe selected and tested forty (40) business tax receipts. No issues noted.

OBSERVATIONS AND RECCOMENDATIONS

Overall, the Planning, Zoning, and Building Department has adequate internal control measures in place to ensure that the Planning, Zoning, and Building Department is operating as intended. However, the following observations were noted during our audit procedures:

1. **OPPORTUNITY FOR IMPROVEMENT 1 – Monitoring of Open or Expired Permits: MEDIUM RISK**

   Per our discussions with Planning, Zoning, Building (PZB) personnel, there is no reconciliation performed on the merging of, long outstanding (open), or expired permits. In most cases, old and outstanding permits relate to permits requested for non-permanent items, such as tents. A process for a periodic reconciliation or review related to old and outstanding permits could help the Town prevent an increasing list of outstanding permits within their system by allowing the Department to timely address the issues creating the old and outstanding permits.

   Recommendation:
   We recommend the Department generate a report from the Town's Eden system permitting module on a quarterly basis and review the open and/or expired permits. During this review process, the Department should reconcile the open and/or expired permits to the know issue(s) preventing the permit from being closed. This reconciliation could help ensure that the proper review processes are in place and additional information can be obtained on older/expired permits that should be closed or mapped to newer permits. Additionally, the Department should determine if they have the legal ability to require a contractor to close a permit.

   Management Response / Action Plan:
   The Town currently has approximately 1,500 permits and permit applications which are in expired status from 10/1/2008 to 6/30/2011. These represent 8.2% of all permit applications processed for this time period (18,190), and consist of permits which contractors have not pursued or completed, as evidenced by a passed final inspection.

   The Department instituted a new procedure in April of this year. This procedure requires that expired permits must be reactivated, and all open or reactivated permits must be resolved in one of the following 3 ways before a new permit can be issued for a property:

   1. Become a sub-permit of the new permit.
   2. Receive a passed, final inspection.
   3. Receive written permission from the Building Official to remain unattached to the new permit (used in situations where two contractors in unrelated professions are working on the same property).

   To date, this policy has resulted in the resolution of open permits on every property for which a new permit was issued since its implementation.

The Department will be conducting quarterly reviews of open permits to ensure that its procedures are being followed, and that permits are being finaled in accordance with the procedures.

Individual(s) Responsible: John S. Page, Director of Planning, Zoning & Building

Due Date: On-going (Quarterly) for reconciliation of open or expired permits
On-going for resolving open or expired permits

2. OPPORTUNITY FOR IMPROVEMENT 2 – Incomplete Permit File Documentation: MEDIUM RISK

During Crowe's testing of fifty (50) building permit files, we identified the following file documentation exceptions for items required by the Department's Permit Administrative Guidelines. The following issues related to twenty-two of the fifty permits tested.

- For seven (7) sample items tested, we noted that required documentation was incomplete or not included in the permit file:
  - For one (1) permit, there was no documentation of the contractor's worker's compensation insurance coverage.
  - For one (1) permit, there was no Notice of Commencement (NOC) attached to the permit. We noted there was another master permit related to this property which had a NOC attached that covered this master permit; however, the documentation was not attached to this permit number in the Eden System.
  - For one (1) permit, the permit was entered into the Eden System as a residential permit; however, the permit should have been entered as new commercial construction.
  - For one (1) permit tested, the NOC was not completed in the file.
  - For two (2) permits tested, the certification table not completed and there was no checkmark in the box pointing to the Notice of Commencement (NOC). We did note that the NOC was completed and in the file.
  - For one (1) of the seven (7) sample items tested, Page 2 of the permit application was not completed.
- For twelve (12) permits tested, we noted open or expired permits on the property at the time a new permit was issued.
- For six (6) permits tested, we noted that not all the required schedules on page 2 of the application were completed.
- For one (1) permit tested, we noted that the related plans could not be located during testing.
- For one (1) permit tested, we noted that a new permit was issued when there was a hold on the property for a returned check related to an earlier permit application.
- For two (2) permits tested, we noted that the permit fees were not paid on the date of permit application.

We also noted that while the Department has created an Application Sufficiency Checklist within the Eden System. The checklist, however, has not been updated for the most recent policies. Additionally, this checklist is currently used as a reminder feature instead of a control document that should be completed and retained with the file.

Recommendation:
We recommend the Department follow the current policy, "Conditions For Issuing a Permit" included in the Permitting Administrative Guidelines. To ensure the Department Policies are followed and completed by each user, the Department should determine the feasibility of utilizing the Checklist as a control document, rather than a reminder feature. Meaning, the Checklist should be completed as part of the process to ensure that permits are processed consistently and are included as part of the supporting documentation for each permit.

Management Response / Action Plan:

- The Permitting Guidelines Manual is being modified to reflect recent policy changes.
- The Activity Checklist for each Action in Eden is being modified to reflect current requirements.
- A quarterly review of a sample of 50 permits will be conducted using a new checklist being developed, which includes items contained in the auditor's review, as well as additional items (e.g. field verification of completed inspections). This review will help maintain consistency in permit processing, and will identify additional training requirements and needed modifications to the permitting guidelines manual.
- The permit application has been changed to include a checkbox next to each requirement that must be met in order for the permit application to be accepted. These boxes must be checked by the intake person at time of permit submission. Applications will not be accepted unless all required fields on the application are completed and all required documentation is received. Full completion of the application and having all required documentation at time of submission will be reinforced with the contractors at the Department's quarterly contractor meetings.

Individual(s) Responsible: John S. Page, Director of Planning, Zoning & Building

Due Date: Completed - Modifications to Application
July 31, 2011 - Modifications to Manual and Checklists
On-going (Quarterly) for Permit Processing Review

3. OPPORTUNITY FOR IMPROVEMENT 3 – Recording of Cash Transactions: LOW RISK

Per our discussion with PZB personnel and our observations during our permit testing procedures, we determined that cash and check receipts were not recorded in the same manner. We noted that when permit fees are paid in cash, revenue is recorded at the point of sale and recognized in the Building Department Permitting system as earned. This practice is inconsistent with the practice for recording receipts received in the form of a check, which included recording an amount as deferred until the permit is issued. Per discussion with PZB personnel, we noted that this was the agreed upon process and Eden would not allow cash to be recorded as

deferred revenue. Upon our inquiry PZB personnel discussed the situation with the Town personnel and devised a new procedure for accepting cash payments for permits as follows:

> In May 2011 PZB will "set up some new codes in the Eden' cashiering system which allows us to accept the payments on the day they are received, and enter them into the cashiering system using the new code. PZB will then take that receipt and post it to the applicant's Eden PM Customer account which satisfies the bill due and places any balance on account. (Posting into Eden is how the amounts paid hit the GL accounts). At the end of the day, we enter offsetting amounts into the cashiering code to return the balance to -0-."

Recommendation:
We recommend the Department implement the new procedure as stated above to ensure that all amounts received are recorded consistently, whether received in the form of cash or check.

Management Response / Action Plan:
The procedure referenced above, which allows acceptance of cash payments on the day they are received, was developed by the Staff, approved by the Internal Auditor, and implemented while the Internal Auditor was conducting the audit.

Individual(s) Responsible: John S. Page, Director of Planning, Zoning & Building

Due Date: Completed

4. **OPPORTUNITY FOR IMPROVEMENT 4 – Segregation of Duties Related to Business Tax Receipts: HIGH RISK**
We observed that the Development Review Specialist is currently performing the following conflicting duties: preparing invoices for tax receipts, receiving cash payments, preparing the deposit, and performing reconciliations between Eden and other manually prepared reports. This is a segregation of duties issue because a material error could occur and not be prevented or detected in a timely manner. Additionally, there is little to no oversight of the process and no documented review of the procedures performed.

Recommendation:
The Department, to the extent possible should evaluate the ability to segregate these conflicting duties and implement adequate supervision and documented review procedures. The review could consist of a periodic random sample based on average activity. A new hire was added to the Department in April 2011 which should allow some opportunity to implement these recommendations.

Management Response / Action Plan:
The Department brought this issue to the Internal Auditor's attention on the initial visit, along with possible solutions, and asked the Auditor's assistance in addressing this issue. The Department's concern was that it had one employee assigned to the BTR

program, who was also charged with providing secretarial support to the Planning & Zoning Commission and the Zoning Administrator, as well as providing permit intake coverage when required.

One possible solution is to have all BTR payments submitted to an outside institution, which enables the billing functions to be separated from the receipting functions. The Auditor indicated that this would be an acceptable procedure. The Department is exploring this option to identify the associated process and costs, and consulting with a neighboring community who uses this procedure within the Eden software system. The staff believes this to be viable alternative, although recent legislation (which transfers state responsibilities to local governments in collecting proof of state certification prior to issuance of renewals) may present a problem logistically and will need to be resolved.

In the meantime, as soon as the staff is at full complement, the Department will begin dividing duties within the BTR program. The distribution of duties will occur in such a way as to separate the functions of billing for Business Tax Receipts and renewals from the issuance of licenses.

The Department also will be conducting quarterly reviews of a random sample of 20 activities, to ensure that proper processing of licenses and payments continues to occur.

Individual(s) Responsible: John S. Page, Director of Planning, Zoning & Building

Due Date: On-going (Quarterly) - Review of BTR activities
October 1, 2011 – Re-assignment of BTR receipting duties
April 1, 2012 – Implementation of 3rd-party collection of BTR payments (if adopted)

5. **OPPORTUNITY FOR IMPROVEMENT 5 – Lack of information and Formal Monitoring of Building Permit Status: MEDIUM RISK**

During the performance of our procedures, we attempted to perform an analysis of the length of time involved to issue building permits, based on information available. However, we learned that due to the way in which information was recorded and maintained in the Eden system, the analysis would not provide accurate information without a detailed and time consuming review.

Based on discussions with management, the information provided included the total time that the permit was with the Department and not the total time the Department took to process the permit. For instance, in certain situations, the processing of the permit could require additional information from the contractor. However, the report in Eden would not reflect that the permit was sent back to the contractor, therefore, skewing the information on the "Route Summary Report".

During May 2011, the Department began to institute a new process with the help of the Eden Software vendor.

OBSERVATIONS AND RECCOMENDATIONS

Recommendation:
The Department should continue to work to implement the new process to ensure that accurate permit processing information is available at all time. This information will assist the Department in monitoring and tracking processing times, as well as determining if there are issues with particular permit applications, through regular review of the "Route Summary Report" in Eden.

Management Response / Action Plan:
Although the staff has always been able to determine processing times fairly accurately, using permit volume, submission dates, time of year and amount of staff, we recognize the importance of using quantifiable data to enable contractors to schedule and perform work. The reports generated by the new software system reflect total elapsed time for processing a permit, but do not accurately reflect the time a permit application is reviewed in-house (an application might be reviewed and returned to a contractor, and may not be resubmitted for a month, for example).

In March of this year, the staff developed and implemented a new process which uses software capability to stop the clock on a permit application that has been returned for additional information, and restarts it when the application is resubmitted. This was the first step in determining how long a permit is in-house for review.

We are using the new clock feature to develop a report that will show total elapsed and in-house review times for permit processing. When the report has been formulated, and data is identified and captured, we will be able to accurately reflect our processing times at any point in time for any given period, enabling us to more accurately determine resource needs, notify contractors of processing times for their planning purposes, and help regulate distribution of duties in-house.

Individual(s) Responsible: John S. Page, Director of Planning, Zoning & Building

Due Date: October 1, 2011