



City of Albuquerque

Office of Internal Audit

FOLLOW-UP OF THE
INSPECTION TAG INVENTORY CONTROLS

Report #20-18-102F

March 11, 2021

INTRODUCTION

The Office of Internal Audit (OIA) issued Audit No. 18-102, Inspection Tag Inventory Controls on October 24, 2018. OIA has completed a follow-up to determine the corrective actions that the Planning Department (Planning) has taken in response to the report. The report contains one recommendation, which has been implemented and is considered closed as of January 11, 2021.

BACKGROUND

OIA conducted a performance audit on October 24, 2018, to evaluate the effectiveness of the internal controls used by Planning to ensure the accountability, accuracy, and safeguarding of the inventory of inspection approval tags. The audit found that inspection approval tags are not the City of Albuquerque's (City's) official record for successful building code inspection, but rather the City's official record for successfully passing code inspections is maintained in the POSSE Land Management System (POSSE). POSSE is an electronic permitting and inspection database maintained by the Building Safety Division. However, stakeholders have not been informed that there is little to no assurance value with the issued inspection approval tags by the Planning's Building Safety Inspectors. Planning's Building Safety Division is responsible for ensuring construction work within the City with approved plans and building standards.

OBJECTIVE

The objective of this follow-up was to determine whether Planning has taken the corrective actions recommended in OIA's October 24, 2018 audit report on Inspection Tag Inventory Controls. Consistent with Government Auditing Standards, Section 9.08, promulgated by the U.S. Government Accountability Office, the purpose of audit reports includes facilitating a follow-up to determine whether appropriate corrective actions have been taken. This field follow-up is a non-audit service. Government Auditing Standards do not cover non-audit services, which are defined as professional services other than audits or attestation engagements. Therefore, Planning is responsible for the substantive outcomes of the work performed during this follow-up and is responsible to be in a position, in fact and appearance, to make an informed judgment on the results of the non-audit service. OIA limited our scope

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to actions taken to address our audit recommendations from the final audit report dated October 24, 2018 through the submission of actions on February 22, 2020.

METHODOLOGY

To achieve the objective, OIA:

- Obtained documentary evidence from Planning.
- Interviewed Planning staff to understand and verify the status and nature of the corrective actions taken.
- Verified the status of the recommendations that Planning had reported as implemented.

RESULTS

One recommendation was addressed in the original audit report, which has been closed.

See ATTACHMENT 1

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SUBMITTED:

DocuSigned by:
Connie Barros-Montoya
DCF283F3AC33444...

Connie Barros-Montoya, Principal Auditor
Office of Internal Audit

REVIEWED:

DocuSigned by:
Sarah Faford-Johnson
15C18D8E90C84C1...

Sarah Faford-Johnson, Contract Auditor
Office of Internal Audit

APPROVED:

DocuSigned by:
Nicole Kelley
07E2FA5E2FAD4AC...

Nicole Kelley, Acting City Auditor
Office of Internal Audit

APPROVED FOR PUBLICATION:

DocuSigned by:
Edmund E. Perea, Esq.
645A1FA5A6314C3...

Edmund E. Perea, Chairperson
Accountability in Government Oversight
Committee

ATTACHMENT 1

Recommendation	Responsible Agency	Department Response	OIA Conclusion	OIA Use Only Status Determination
<p><u>Recommendation 1:</u></p> <p>The Planning Department should:</p> <ul style="list-style-type: none"> Align the City's website, <i>Development Process Manual</i>, and other applicable regulations with current inspection practices. Inform all stakeholders of Planning's current inspection practices and clearly communicate that inspection approval tags are not the City's official record for the successful completion for permitted work. Revise all inspection approval tags to include a disclaimer. This disclaimer will mitigate the risk to the City by informing the stakeholders that inspection tags are not the official City record and verifications must be validated with the information in POSSE. Consider researching other cities practices to identify and determine the most 	<p>Planning Department</p>	<ul style="list-style-type: none"> The latest draft of the Development Process Manual removes all language concerning building construction inspections. All stake holders, i.e., permit holders, are notified of the official inspection record via the revised text on all approval tags. All approval tags now have the disclaimer and the URL directing to the official inspection record website. See examples below. The inspection entry data consistency is part of the system's required actions. A drop-down menu limits the results of inspections to a specific list. Inspection Approval Survey: Building Safety either looked at the websites or called the following jurisdictions in the attempt to determine how similar size city's building departments administered inspection approval notification: Las Vegas, Nevada; Long Beach, California; Louisville, Kentucky; Memphis, Tennessee; Mesa, Arizona; Milwaukee, Wisconsin; Nashville, Tennessee; Oklahoma City, Oklahoma; Omaha, Nebraska; Portland, Oregon; Raleigh, North Carolina; Sacramento, California; Tucson, Arizona; Tulsa, Oklahoma; Virginia Beach, Virginia. 	<p>As of June 8, 2020, the Planning Department updated its <i>Development Process Manual</i> (DPM). The DPM responds to the mutual need of both private and public sectors to coordinate and clarify complexities of the development process, which includes:</p> <ul style="list-style-type: none"> Albuquerque/Bernalillo County Comprehensive Plan (ABC Comp Plan); Integrated Development Ordinance (IDO); and Revised Article 14-16 ROA 1994 (ROA 1994). <p>The Planning Department updated its website to inform stakeholders of the current inspection practices, including instructions for stakeholders planning a new construction, addition or remodeling project to apply for building permits at the office or online.</p> <p>The Planning Department also updated the permit application process through ePlan portal, which is the review process that is available to developers, contractors, architects and homeowners looking to apply for building permits with City of Albuquerque.</p>	<p><input type="checkbox"/> Open</p> <p><input checked="" type="checkbox"/> Closed</p> <p><input type="checkbox"/> Contested</p>

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Recommendation	Responsible Agency	Department Response	OIA Conclusion	OIA Use Only Status Determination
		<p>Of those municipalities where an approval process could be determined, there was not a clear "best practice". The various department processes ranged from only issuing approval tags as the official record, to approval tags with the electronic system being the official record, to approval tags with the tags being the official record or a sign off sheet and the inspection was recorded in an electronic system as the unofficial record, to no approval tags being given at all.</p> <p>This led us to the conclusion to continue to provide tags as an official notification and continue to use the electronic permitting and inspection system as the official inspection record.</p>	<p>The Planning Department's Building Safety Division also updated the inspection tag disclaimer informing the stakeholders: "This tag is not official record of inspection. To verify the result of this inspection please visit: http://posse.cabq/pub/lms/loginh.aspx." The disclaimer directs the stakeholders to the POSSE platform to validate the inspection tag status.</p> <p>According to the Planning Department, the department researched 16 jurisdictions to determine how the jurisdictions administered inspection approval notifications. The results were not clear or could not find best practices due to the varied range of the inspection tags processes. The Planning Department concluded that its current practices are sufficient.</p>	