

DDES 1990 Code Enforcement Audit Follow-Up

Report No. 96-1 -- Report Summary

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INTRODUCTION AND BACKGROUND

The management audit update of the 1990 Code Enforcement Program audit (Report No. 90-13) was authorized by the Metropolitan King County Council in the 1995 Auditor's Office Work Program. The audit was prompted by Council concerns that enforcement practices were inconsistent, and that prior audit recommendations may not have been implemented.

The County's Code Enforcement Program is responsible for investigating and resolving a variety of developmental and environmental violations related to building, zoning, and land development in unincorporated King County. Organizationally located in the Department of Development and Environmental Services, the section was staffed by 10 full-time employees in mid-1995: the section supervisor, assistant supervisor, office coordinator, office technician II, and 6 (six) enforcement inspectors. Inspectors are authorized to impose sanctions such as civil penalties, legal action or abatement following the issuance of an enforcement notice and order.

OBJECTIVE AND SCOPE

The audit objectives were to review and evaluate the code enforcement function to determine if recommendations contained in the 1990 Code Enforcement Program audit were implemented, and whether implementation had resulted in a program that was fair, consistent, and predictable. The audit focused on policies and procedures, and on caseload and financial data related to the operation and management of the program and to the implementation of the 1990 audit recommendations.

SUMMARY STATEMENT OF FINDINGS

The general audit conclusion was that the Code Enforcement Program had taken action to implement or partially implement most recommendations (83%) from the 1990 audit. However, several key recommendations were not implemented. Notably, the program had not monitored case resolution and the issuance of enforcement notice and orders against performance timelines for priority and non-priority cases, or taken action to abate violations as directed by the Council. As a result, the level of enforcement activity varied significantly from one inspector area to another, and it could not be concluded that complaints would result in consistent or predictable enforcement.

MAJOR FINDINGS AND RECOMMENDATIONS

Chapter II. Program Authority, Mission, Objectives, and Operating Procedures

The 1990 audit found that the Code Enforcement Program lacked a viable mission statement, program objectives, performance targets, and operating procedures. To encourage uniform effective enforcement, the audit recommended that a mission, objectives, and procedures manual be developed for the program. The 1990 audit also noted that conflicting and duplicative enforcement responses to violations occurred between County departments and the Code Enforcement Program, and within DDES units. Therefore, it is recommended that DDES re-evaluate and define enforcement responsibilities internal to the department, and with other County agencies. Finally, the 1990 audit found that the enforcement title of the King County Code, Title 23, was outdated and unnecessarily limited enforcement authority. Thus, the audit proposed that Title 23 be revised to strengthen program authority and direction.

1995 Finding II-1. A mission statement, performance measures, and procedures manual were developed, and Title 23 revisions were transmitted. However, additional work was needed to improve coordination with other agencies, refine performance targets and effectively apply them.

The 1995 audit update found that a procedures manual (with mission statement and process milestones) was prepared, but provided insufficient direction in some areas and had not been systematically revised to reflect changes in program staffing, structure, or responsibilities. Performance measures had been developed which refined the process objectives for "priority" (response within 48 hours and notice and order within 5 days) and "non-priority" cases (response within 30 days, and issuance of an enforcement notice and order within one (1) year). However, the program was not able to measure if the objectives were met, i.e. distinguish "priority" from "non-priority" cases, or track the days elapsed from the date a complaint was received. The 1995 audit update also found that a comprehensive revision of Title 23 was completed and transmitted to the Council, although the Executive had not developed the policy memorandum proposed in the 1990 response to define enforcement roles for County agencies.

The 1995 audit update recommended that the procedures manual be revised to provide unambiguous direction regarding performance objectives, and be routinely updated as the enforcement process changed. The audit update also recommended that DDES implement proposed revisions to the automated PERMITS system which would improve tracking and reporting to determine if performance measures were met. The audit update further recommended that DDES and other Executive departments evaluate creating a central 24 hour complaint response function responsible for assigning complaints to the appropriate agencies and monitoring progress toward resolution, thus eliminating the need for citizens to identify the appropriate department and staff.

Chapter III. Enforcement Workload and Performance Indicator Analyses

The 1990 audit analysis of workload indicators found imbalances among inspector areas which

were likely to result in unequal levels of enforcement services available to County residents. Specifically, a significant percentage of cases were concentrated in two inspection areas, or were closed at varying rates, leading to unequal workloads and backlogs. In particular, the audit found that enforcement notice and orders were issued at widely different rates, with a violator being six (6) times less likely to receive a civil citation in one area compared to another. To equalize the availability of enforcement services, the 1990 audit recommended reviewing inspector area boundaries in relation to total cases open, new cases opened, and cases closed to re-distribute workload. The audit further recommended improved supervision of officers using performance standards developed pursuant to recommendations in Chapter II. Finally, the audit recommended increased use of notice and orders with monitoring to improve the consistent application of sanctions.

1995 Finding III-1. The open code enforcement caseload was monitored and adjusted to balance open cases in each area. However, analysis of other workload indicators, such as new cases opened, notice and orders issued, and case duration, revealed significant imbalances among the areas.

The 1995 audit update found that open caseloads were adjusted to maintain generally equivalent caseloads in each inspector area, based on a monthly report of open cases. However analysis of other recent workload data indicated the numbers of new cases opened and notice and orders issued varied widely. During the first six months of 1995: 221 cases were opened in one inspector area compared to 46 new cases opened in another; and 26 notice and orders were issued in the first inspector area compared to one (1) order issued in the second. Moreover, the shortest case duration occurred in the inspector areas where notice and orders were used most frequently. Although the Code Enforcement Procedures Manual set performance standards requiring issuance of notice and orders after one (1) year for non-priority cases, management did not track the timeliness of the orders issued, or the frequency and distribution of notice and order citations among inspector areas.

The 1995 audit update recommended that Code Enforcement Program management actively monitor all caseload indicators to ensure the workload is evenly distributed and efficiently managed, backlogs of unresolved cases don't develop, and to ensure notice and orders which initiate sanctions are issued effectively to prompt compliance.

Chapter IV. Caseload Analysis and Management

The 1990 audit found that a significant percentage (42%) of the open caseload was from three (3) to 17 years old, and that 39% of all open cases (primarily older cases) had no follow-up dates assigned, and were therefore not listed in open case reports printed for the inspectors' use. This resulted in a majority of older cases being omitted from enforcement activity. The 1990 audit recommended that the Code Enforcement program establish caseload management procedures to monitor case progress within target timeframes for resolution, and to include all open cases in monitoring reports. The initial audit also recommended development of a formal backlog reduction plan to reduce the open caseload to active current cases.

1995 Finding IV-1. Code Enforcement reduced the percentage of cases remaining open after 3 or more years from 42% to 24% of the total caseload.

The 1995 audit update determined that no formal backlog reduction plan had been prepared; however, enforcement staff reported a concerted effort had been made to obtain compliance and close out older cases. Consequently, in June 1995 a significantly smaller percentage of older cases (24%) remained open after 3 or more years compared to May 1990, when 42% of the code enforcement caseload was composed of cases opened from 3 to 17 years earlier. In addition, the report of open cases (sorted by inspector area) was run routinely and displayed follow-up dates for all cases. However, an analysis of follow-up dates indicated that 72% of the cases had an "expired" follow-up status. The audit analysis also found that 15% of the open "expired" cases had dates prior to 1995, extending back to 1990. Other cases with "current" dates were set ahead as far as June 1996. This indicated that enforcement staff were not using follow-up dates effectively or consistently to initiate and monitor case resolution activity.

The 1995 audit update recommended that the program review the practices used to assign and monitor follow-up dates, and establish new procedures which use the dates effectively to gauge

follow-up activity as inspections, compliance plans, etc., occur.

Chapter V. Legal Sanctions Authorized by Title 23

1990 Audit Finding V-1 and Recommendations

The 1990 audit found that the notice and orders which triggered sanctions such as civil penalties were issued infrequently (less than 1 per month in some areas), decreasing from 1987 to 1989. Therefore, the 1990 audit recommended increased use of notice and orders to promote higher case closure rates. The audit also recommended developing procedures to guide issuance of notice and orders, monitoring the frequency of notice and orders within inspector areas and in relation to caseload indicators and case duration. Specifically the audit recommended that unresolved cases open after a specified time be reviewed to determine whether a notice and order should be issued or other action taken to resolve the violation. Finally the audit determined that the frequency of appeals of notice and orders to the examiner ranged from 11% to 19% for 1998 - 1990, rather than 33% as assumed in the staffing model. Therefore the audit recommended tracking appeals of notice and orders to determine frequency, time spent per case, and outcomes.

1995 Finding V-1. The frequency of notice and orders issued in 1993-1994 increased over prior years, resulting from the work of two inspectors, rather than an overall increase in enforcement activity.

The 1995 audit update found that in 1993/1994, inspectors issued 158 and 169 enforcement notice and orders, a substantial increase over previous levels of 91 and 127 orders issued during 1989/1990. However, inspectors in two areas issued the majority of the orders: 60% in 1993, and 76% in 1994. The disparity among inspection areas implied violators in other County areas were significantly less likely to receive an enforcement order and be subject to the resulting sanctions. The audit also found that although timeframes for issuing notice and orders had been set in the procedures manual, the program had not monitored cases to see if the objectives were met, and therefore reporting on the frequency, timeliness, and effect of notice and orders was inadequate. The audit further found that appeals of notice and orders to the examiner averaged 21% of notice and orders issued during 1993 - 1995, and that although reporting on appeals was initiated in 1991, format errors and incomplete data resulted in limited information.

The 1995 audit update recommended that the Code Enforcement Program improve its monitoring of notice and orders issued to provide cumulative monthly reports by inspector area, track cases against timeframes for corrective action, and review internal procedures for applying sanctions which result from the order to provide a more equitable and effective enforcement process. The audit update further recommended that the program institute a systematic rotation of inspector areas to improve uniformity of enforcement effort. In addition the audit update recommended improved reporting of appeal information to accurately assess outcomes and workload impact.

1990 Audit Finding V-4 and Recommendations

The 1990 audit found that the Code Enforcement program had rarely exercised its authority to abate code violations. Although more than 1,000 new cases were opened annually, only seven (7) cases had been abated between 1987 and 1990. The audit recommended that the Code Enforcement program employ the abatement process more frequently, develop abatement procedures, and monitor and report on abatements as a workload indicator.

In addition, the Council responded to concerns that a lack of funding limited abatement actions by including a \$50,000 abatement contingency in the 1993 budget and directing that "all civil penalty and abatement revenues be used to support abatement costs."

1995 Finding V-4. Abatement actions increased during 1991-1994; however, funds appropriated were underexpended.

The 1995 audit update found that the number of cases abated during 1991-1994 increased to

an average of 6 per year. An abatement procedure was drafted, but was outdated and lacked important detail. Moreover, reporting on abatements had been initiated, but contained inaccuracies and needed improvement. The audit review of a new tracking report and 24 cases referred for abatement identified slippage between the date of referral and subsequent transmittal of a "last chance" letter and abatement action, and failure to use an "Abatement Activity" screen available in the automated PERMITS system to document critical events, such as site re-inspection following the "last chance" letter. The review also revealed that abatement actions were concentrated in two inspector areas.

Although civil penalty and abatement cost collections increased significantly after 1989, those revenues were not dedicated to abatement costs.

In addition, the audit update found that the proviso requiring civil penalty collections to be used to support abatement costs was not implemented. Moreover, despite the perception by enforcement staff of limited availability for abatement funds, only 37% of abatement funds budgeted between 1991 and 1994 were expended, leaving \$247,355 not utilized for the purposes intended.

The 1995 audit update recommended that the Code Enforcement Procedures Manual be revised and updated to describe the intended process and establish timeframes for action and that the program improve management reporting on abatements and document key steps on the "Abatement Activity" screen in the PERMITS system. The 1995 audit update also recommended that DDES should implement the Council's 1993 budget directive to allocate all civil penalty and abatement revenues to support abatement costs.

Chapter VI. Evaluation of Staffing Model/Equipment

The 1990 audit found that previous staffing model assumptions and task time estimates were invalid or overstated, and thus recommended that DDES and Code Enforcement develop a staffing model which accurately reflected enforcement duties, based on daily time reporting, prior to submitting any future requests for additional enforcement staff. In addition, audit analysis of time sheet samples indicated that 61% of the inspector's day was spent in the office, primarily to access/input information for the new automated permit processing (PERMITS) system. Consequently, the 1990 audit recommended that DDES evaluate the feasibility of providing mobile workstations, e.g. car phones and portable computers with modem access, to increase efficiency and time available for enforcement fieldwork.

1995 Finding VI-1. Code Enforcement had not developed a usable staffing model, and unresolved modem connection problems restricted the effectiveness of mobile workstations.

The 1995 audit update found that a staffing model prepared in 1993 had not been based on the DDES automated timekeeping system or other documentable data, although no requests for enforcement staff had been transmitted for Council consideration. In addition, the review of timekeeping data indicated inconsistent use of task categories, incomplete data, and function and task categories which were not applicable to the model. The 1995 audit update further found that failure to resolve modem connection problems, which began shortly after the purchase of cell phones and laptop computers in 1993, significantly limited the usefulness of the equipment.

The 1995 audit update recommended that problems with the cell phone modems be corrected at the earliest possible date; that timekeeping system task codes, management reports, and instructions to staff be revised to improve data collection and reporting; and that a current and verifiable staffing model be developed to justify any future enforcement staffing requests.

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