

Memorandum



DATE: August 13, 2004

TO: Honorable Mayor and Members of the City Council

SUBJECT: Follow-up report of the September 27, 2002, Audit of the Efficiency and Effectiveness of the Board of Adjustment Process--Report #369

We conducted this follow-up audit under the authority of Chapter IX of the City Charter, City Council Resolution No. 920779, and performed it according to applicable government auditing standards.

Our objective was to determine whether Development Services (DVS) (Planning and Development when the audit was conducted) implemented the audit's recommendations or taken other acceptable actions to remedy the control weaknesses identified in the original audit report.

The original audit contained seven findings with fifteen recommendations. Management has implemented ten of the recommendations, and has not implemented five.

1. **The Board of Adjustment (BOA) panels are often not fully appointed.** We recommended the Director of Planning and Development (the Director):

A. Consider the following alternatives, which address the issue of BOA panels not being fully appointed:

Evaluate whether the number of panels should be reduced and if a reduction is appropriate, coordinate with the City Attorney, the City Manager, and the Council **(Not implemented)**. Management has not evaluated this suggestion.

Request the City Attorney develop a proposed change that places a time limit that a Council member has to submit names and other needed information for his/her BOA member nominee. If an appointment is not subsequently finalized within the specified time frame (e.g., 30-60 days), the appointment is open (on a first come, first served basis) to the entire Council **(Not implemented)**. Management has not requested such a change from the City Attorney.

Coordinate with the City Secretary to promptly notify the Council, or individual members, of needed BOA appointments. Such notifications should include follow-ups as needed **(Implemented)**.

Timely provide the City Secretary with BOA member needs and follow-up as needed to more fully ensure prompt reassignment of alternates among the panels **(Implemented)**.

- B. Coordinate with both the City Council and City Secretary to modify candidate-tracking checklists to include the name of the individual responsible for completing the step and develop time standards for each processing step. Each person completing a step should sign and date the particular checklist step. Checklists should be kept online to provide immediate access for all persons who have a need to know **(Implemented)**.
- C. Coordinate with the City Attorney and City Council to propose revising the City Code to provide for staggered BOA member terms **(Not Implemented)**. Management has not consulted with the City Attorney on this issue.

- 2. **BOA fees are not sufficient to cover program costs.** We recommended the Director:

Increase fees to a level that will fully offset all related costs **(Implemented)**.

Review the circumstances/conditions by which fees are currently waived and revise as appropriate **(Implemented)**.

Confer with the Controller to develop specific codes to aggregate costs by service type (e.g., all costs that are incurred for BOA applications and hearings) **(Implemented)**.

Require applicants to be charged for all additional fees if the applicant's action or non-action caused the incurrence of those additional charges **(Not implemented)**. Management has not yet charged these fees; they are analyzing the problem further.

- 3. **The BOA application process can be more effective and efficient.** We recommended the Director periodically review operations to include a complete process analysis of operations as well as the operating enhancements noted in the audit **(Implemented)**.

4. **BOA members need an expanded training/orientation program.** We recommended the Director expand the training/orientation program to include the elements noted in the audit, as well as any specific training that may be required for individuals to understand and deal with specific cases heard **(Implemented)**.
5. **Current and former BOA members raised concerns about readily available access to various professional City staff for BOA hearings.** We recommended the Director, in coordination with the City Manager, ensure that all appropriate City professional representatives are present at briefings and hearings to answer questions and provide information **(Implemented)**.
6. **Planning needs to better use the City's website to inform citizens of the purposes of the BOA and the appeals process.** We recommended the Director provide additional information on the City's web site regarding the BOA hearing process and allow hearing petitioners to apply online. Further, the Director should refer applicants to the BOA member application, in the City Secretary's section of the web site. Applicants for potential BOA positions should be made aware that a Council member must nominate them. **(Implemented)**.
7. **Planning should develop meaningful and useful performance measures.** We recommended the Director implement a comprehensive performance measurement system to monitor the efficiency and effectiveness of the BOA **(Not implemented)**. Management has not yet done this.

We appreciate management's cooperation in this follow-up.

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c: Mary K. Suhm, Interim City Manager
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